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INDIANA'S ECONOMY

INDIANA DEPARTMENT OF COMMERCE
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DECEMBER 1980

(includes data through September, 1980)

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The purpose of this report is to provide a brief overview of Indiana's economy through September 1980. Sections of this report will address specific developments in economic activity. The analysis will rely on leading and overall indicators to measure functioning in individual sectors and the state's economy as a whole.

Overall Indicators

Indiana's overall indicators of economic activity include personal income, aggregate employment, and the unemployment rate. Changes in these variables generally accompany fluctuations in the state's economy.

The preliminary estimate for total personal income in the second quarter of 1980 stood at $48.3 billion. Although this figure represents a decline of 0.35 percent from the previous quarter it is an increase of 5.3 percent over the second quarter of 1979. U.S. increases in total personal income were 1.1 percent and ten percent in the corresponding periods. Indiana's nonfarm personal income stood at $47.4 billion in the second quarter of 1980. This estimate represents a gain of 0.22 percent over the previous quarter and an increase of 6.2 percent above the second quarter of 1979. U.S. increases in nonfarm personal income were 1.4 percent and 10.8 percent in the corresponding periods. Among individual states, Indiana was ranked 42nd for its percent increase in nonfarm personal income during the period from first quarter 1980 to second quarter 1980 and 49th in the period from second quarter 1979 to second quarter 1980. Personal income derived from manufacturing, mining, and construction sustained decreases of 4.1 percent, 0.4 percent, and 2.9 percent respectively, during the period from first quarter 1980 to second quarter 1980. However, income from services and government experienced increases of 0.9 percent and 3.1 percent during this period.

The September estimate for aggregate employment stood at 2.36 million, an increase of 0.4 percent above the previous month. Indiana's labor force decreased in September to reach 2.6 million persons. During the period from August to September 1980, U.S. aggregate employment fell to 97.26 million, a drop of 859,000 persons. The nation's labor force also declined during this period. The September estimate of 104.72 million represents a drop of 1.4 million persons.

Indiana's seasonally adjusted unemployment rate reached 10.7 percent in September, while the U.S. rate stood at 7.5 percent of the labor force. Since changes in Indiana's unemployment rate often preceed corresponding fluctuations in the national level, gradual declines in Indiana unemployment during recent months suggest that the national level of unemployment may stabilize in the near future.

Continued unemployment claims have evidenced a steadily increasing pattern since the second quarter of 1979. These figures represent cummulative weekly unemployment claims filed by individuals. The third quarter 1980 level of 1.31 million claims represents a 4.13 percent increase over the previous quarter and an increase of 131.2 percent above the third quarter of 1979.

Individual Sectors

The September 1980 estimate for manufacturing employment stood at 674,600 persons. This level represents an increase of 1.6 percent above the previous month and a drop of 8.6 percent from the September 1979 estimate. The September increase in manufacturing employment combined with a moderate increase in the average work week per person resulted in a four percent rise in manufacturing work input above the previous month.

The durable goods industry produced the bulk of this manufacturing increase. Durable goods manufacturing comprises approximately 76 percent of Indiana's total manufacturing employment and changes in this group are often considered an indication of future movement in Indiana's overall economy. Although durable goods manufacturing employment has experienced a ten percent decline during the past year, the September 1980 estimate represents a 1.8 percent rise above the previous month's level. This increase, in conjunction with a 2.6 percent gain in the average work week per person, has resulted in a 4.5 percent increase in the September estimate for durable goods manufacturing work input.

Within the durable goods manufacturing sector, substantial employment growth was experienced in electrical machinery and transportation equipment firms which attained 3.1 percent increases over the previous month. Within the latter category, automotive and parts firms increased employment by 3.7 percent. A modest employment increase was also

experienced in primary metals firms, with the bulk of this growth attributable to increased employment in steel mills. Negative growth occured only in the nonelectrical machinery sector which experienced a 0.13 percent decline in employment from August to September of 1980.

Contract construction employment declined by 900 persons from August to September 1980, a loss of 0.78 percent. This loss, partially offset by an increased average work week per person, resulted in a 0.24 percent lower work input in September. Construction employment declined 4.2 percent from September 1979 to September 1980. Along with a declining average work week per person this change produced an 8.8 percent drop in work input during the past one year period.

Expenditures for residential construction have experienced a consistent pattern of growth during the second and third quarters of 1980, although recent expenditures have not surpassed 1979 levels. The September 1980 estimate of $90.3 million represents an 8.5 percent increase above the previous month, though it is a 42.4 percent decline from the September 1979 figure. Expenditures for non-residential construction have experienced a similar growth pattern in 1980. Here, the September estimate of $124.5 million represents a 1.4 percent increase above the previous month and a 26.2 percent increase above the September 1979 level.

Expenditures for construction of public works and utilities facilities continued a pattern of decline that began in the first quarter of 1979. September expenditures fell to $42.6 million, a decrease of 4.5 percent from the previous month and a decline of 67.6 percent below the September 1979 level. Depressed spending in this sector may be partially attributed to work stoppages sustained in the construction of safety features at the Marble Hill nuclear power plant near Madison, Indiana. No date has been projected for full resumption of construction, as officials are currently awaiting approval from the Nuclear Regulatory Commission.

Employment in the wholesale and retail trade sector rose to 491,200 in September. Although this figure represents a 0.22 percent increase over the previous month, a slight decline has occured during the past year. September 1980 employment in wholesale and

retail trade was 2.5 percent below the September 1979 level. Due to a declining average work week per person, work input in wholesale and retail trade dropped 0.70 percent in the period from August to September 1980 and 6.3 percent from September 1979 to September 1980. Throughout the past one year period, the average work week has remained low, ranging from 34.1 hours in December 1979 to 31.2 hours in May 1980. Total retail sales stood at $1.74 billion in September 1980. This level represents a six percent decrease below the August estimate and a 0.68 percent decline from the September 1979 level.

Transportation, communication, and utilities employment declined 0.38 percent from August to September 1980. The September estimate of 104,400 persons also represents a drop of 7.1 percent below the September 1979 level. Despite the September employment decline, an increase in the average work week per person has allowed total work input to rise by 0.62 percent over the previous month.

Employment in finance, insurance, and real estate stood at 101,500 in September 1980. This level represents a 0.88 percent decline from the previous month and a drop of 0.2 percent below the September 1979 estimate. In conjunction with mild declines in the average work week per person, these employment changes have produced 1.1 percent and 1.8 percent declines in work input respectively, for the above periods.

Indiana's mining industry has produced a relatively stable employment pattern in recent months. The September estimate for mining employment stood at 11,000 persons. No net employment change occured during the period from August to September 1980, although a 0.9 percent decline was experienced between September 1979 and September 1980. Due to a declining average work week per person, total work input in mining decreased 0.70 percent and 4.3 percent during the above periods respectively.

Service industry employment has increased since July 1980. The September estimate of 352,100 persons represents a gain of 0.69 percent above the August estimate and an increase of 3.2 percent beyond the September 1979 level. Despite a mild decline in the average work week per person, work input rose 0.1 percent in the period from August 1980 to September 1980. A 3.8 percent increase in total work input was realized in the period from September 1979 to September 1980.

Indiana government employment increased 4.2 percent from August to September 1980, attaining a level of 377,000 persons. The September 1980 estimate also represents a 5.8 percent increase above the September 1979 level. Return of school personnel for the fall semester has been a major factor in recent government employment growth. However, a temporary freeze on state government employment enacted July 21, has depressed government employment increases in recent months. Since the Indiana State Government provides salaried employment, no hourly figures are available.

Agricultural employment in the third quarter of 1980 reached 111,000 total workers, an increase of 19.3 percent above the previous quarter. However, the third quarter 1980 figure represents a 3.5 percent decline below the third quarter 1979 level. Further, family workers comprise 73.9 percent of the third quarter 1980 estimate. The remaining 29,000 hired employees represent a 3.6 percent increase over the previous quarter and a 9.4 percent decline below the third quarter 1979 level.

In September 1980 the Indiana farmer received a 92 cent return on each dollar of agricultural investment. Although it is a 2.2 percent increase above the August 1980 estimate, this figure represents a 1.1 percent decline below the Hoosier farmers' purchasing power in September 1979.

Leading Indicators

Four variables are presented as leading indicators of economic activity in the following analysis. Fluctuations in the average work week in manufacturing, the layoff rate in manufacturing, housing starts, and non-agricultural placements generally preceed changes in overall economic conditions. These factors and their implications for the future of Indiana's economy will thus comprise the focus of our analysis. Attention will also be devoted to changes in manufacturing production, industrial electricity sales, and raw steel production, as fluctuations in these variables often preceed corresponding changes in general economic activity. However, these estimates should not be considered strict leading indicators of economic activity.

The September estimate of the average work week per person in manufacturing stood

at 40.1 hours, a 2.3 percent increase above the previous month. Although a 1.7 percent decline occured during the period from September 1979 to September 1980, the average work week in manufacturing has increased at a stable rate since July 1980. Recent increases may be partially attributed to production of 1981 automobiles.

Indiana's manufacturing layoff rate has been consistently higher than the U.S. rate during the past one year period. The Indiana rate stood at 1.5 persons per 100 employed in September 1980, compared with a U.S. rate of 1.4 persons per 100. Both the state's manufacturing layoff rate and the U.S. manufacturing layoff rate decreased 0.4 persons per 100 from August to September 1980.

The construction industry recorded 1,993 residential housing starts in September 1980. This figure represents a decline of 34.7 percent from the September 1979 level. Declining interest rates in the first half of 1980 failed to restore the demand for residential housing to 1979 levels.

Indiana's individual non-agricultural placements rose to 7,820 in September 1980, an increase of 21.6 percent above the previous month's level. However, the September 1980 figure represents a decline of 28.3 percent below the September 1979 level. The above data reveals that the individual employment search has only recently become less difficult. It should be emphasized that these figures include only the initial placement of individuals receiving multiple placements during the given period.

Since 30.3 percent of Indiana's non-agricultural employment is comprised of manufacturing workers, manufacturing production is an important consideration. The manufacturing production index utilizes 1967 as a base year where 9.4 billion units equals one hundred percent. Thus, an index of 110 would be expressed in a year where production exceeded the 1967 level by ten percent. Indiana's manufacturing production level has increased since July 1980. The September 1980 index reached 143.61, a gain of 3.2 percent above the previous month. However, this figure represents a 5.3 percent decline below the September 1979 level. The 1980 estimates for Indiana's manufacturing production level have thus far failed to reach 1979 levels.

Recent increases in manufacturing production have been accompanied by improved

industrial electricity sales. The September 1980 estimate of 1.89 billion kilowatt hours represents a six percent increase above the previous month's level. However, September 1979 sales surpassed the present level by 1.9 percent. Though partially the result of declining manufacturing production, energy conservation efforts may have also influenced industrial electricity sales in the past year.

The steel industry provides a major export product within Indiana's manufacturing sector, as well as an important source of employment. Raw steel production has increased at a stable rate since July 1980, to reach 1.32 million tons in September. Although the September 1980 estimate represents a gain of 12.1 percent above the previous month, it is 19.7 percent below the September 1979 level of production.

Conclusion

In September, 22.9 percent of Indiana's employed were involved in durable goods manufacturing. Due to Indiana's substantial concentration of capital in durable goods industries, the state experiences considerable sensitivity to swings in the business cycle. This feature of the economy has contributed substantially to declining economic activity during the past year. However, recent improvements in durable goods manufacturing sectors and leading economic indicators provide some basis for optimism. Since July 1980, significant gains have been realized in the areas of durable goods employment, total manufacturing employment, manufacturing production, and raw steel production. During the same period, similar improvements occured in manufacturing layoffs, non-agricultural placements, and the average work week in manufacturing. Among Indiana's leading economic indicators, only housing starts failed to produce a stable growth pattern in the third quarter of 1980.

In recent months, Indiana's strength in nonmanufacturing sectors has made significant contributions to positive growth patterns. This feature is highlighted by an increase of 16,500 employees in nonmanufacturing industries from August to September 1980.

While it would be premature to state that recessionary influences have ended, available data suggests an outlook of cautious optimism. It is hoped that recent employee recalls in manufacturing firms accompanied by increased consumer spending will facilitate continued economic growth in the near future.

DATA

The following section is comprised of data graphs for the indicators discussed in the narrative. Most of the data is from September 1979 through September 1980.

DATA SOURCES

The following information is from the U.S. Department of Commerce.

Personal Income - "Survey of Current Business," second quarter 1980 is latest available, seasonally adjusted at annual rates.

Retail Sales - "Monthly Retail Trade," U.S. Bureau of the Census, preliminary September 1980 is the latest available, other months are revised, not adjusted for seasonal variations, holiday or trading day differences.

The following is from Purdue University, Department of Agricultural Statistics.

Agricultural Employment - Quarterly data, latest is third quarter 1980.

Prices Received by Farmers - Mid-month figures, latest available is September 1980.

The following are from the Indiana University School of Business, Business Research Division.

Industrial Electricity Sales - Original series, latest month available is September 1980.

Raw Steel Production - Original series, latest month available is September 1980.

Residential and Non-residential Expenditures - Original series, latest month available is September 1980.

Housing Starts - Original series, latest month available is September 1980.

Construction of Public Works and Utilities Facilities - Original series, latest month available is September 1980.

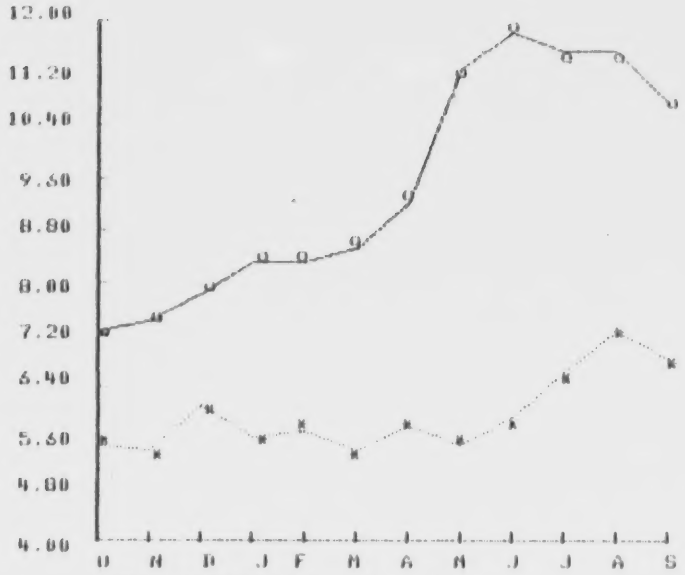
Manufacturing Production - Seasonally adjusted series, latest month available is September 1980.

The following data is from the Indiana Employment Security Division.

Aggregate Employment, Unemployment Rate, Average Work Week in Manufacturing, Non-agricultural Placements, Manufacturing Employment and the Employment Figures for the Various Non-manufacturing Sectors - Latest month available is September 1980. All except Non-agricultural Placements are revised each month. For example, the July issue of the "Indiana Labor Market Letter" not only provides preliminary June figures, but also revises the May estimates.

Manufacturing Layoff Rate - Latest month available is September 1980 and these monthly figures are not revised.

Average people hours per work week (work input) is derived by multiplying Indiana Employment Security employment data by the average work week per person. It should be noted that the indicators which are expressed in dollar amounts are in current dollars. GNP implicit price deflators are not specific to Indiana and thus cannot be applied to this data.



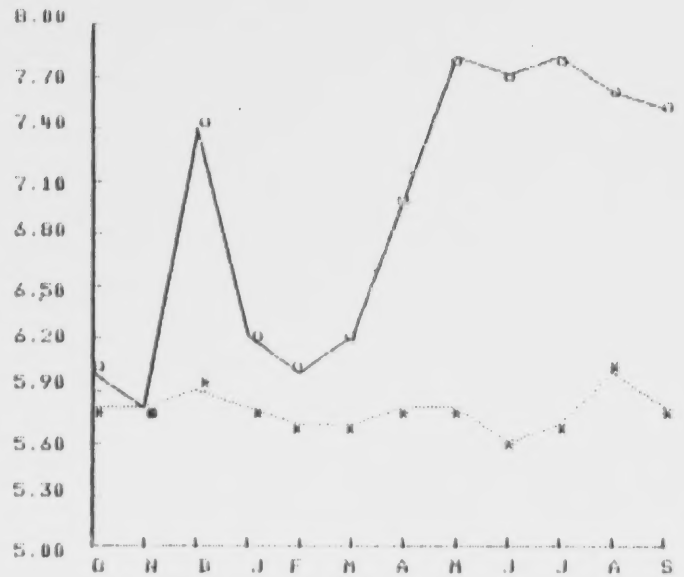
UNEMPLOYMENT RATE (SEASONALLY ADJ.)

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	5.50	7.20	30.91
NOVEMBER	5.40	7.40	37.04
DECEMBER	6.10	7.80	27.87
JANUARY	5.60	8.30	48.21
FEBRUARY	5.70	8.30	45.61
MARCH	5.40	8.50	57.41
APRIL	5.80	9.20	58.62
MAY	5.50	11.20	103.64
JUNE	5.90	11.80	100.00
JULY	6.40	11.50	79.24
AUGUST	7.20	11.50	59.72
SEPTEMBER	6.80	10.70	57.35
TOTAL AVE.	5.96	9.45	58.60

**PERCENT

PREPARED NOVEMBER 1980



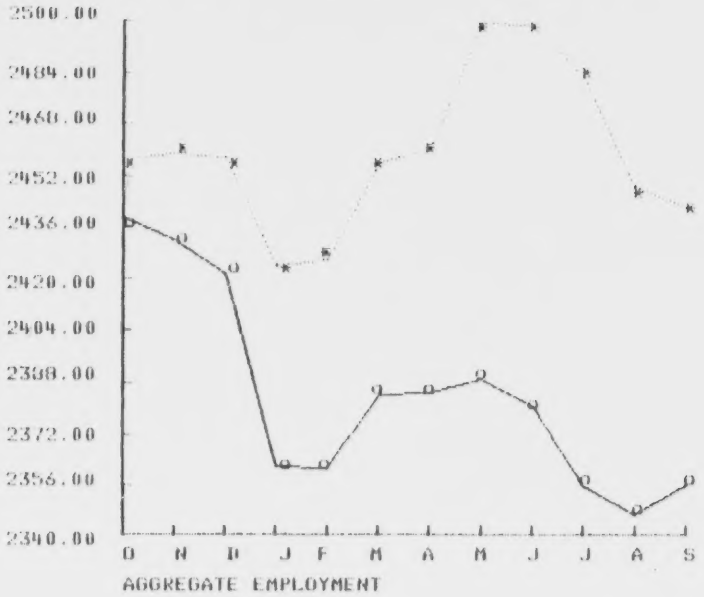
U.S. UNEMPLOYMENT RATE
(SEASONALLY ADJ.)

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	5.80	6.00	3.45
NOVEMBER	5.80	5.80	0.00
DECEMBER	5.90	7.40	25.42
JANUARY	5.80	6.20	6.90
FEBRUARY	5.70	6.00	5.26
MARCH	5.70	6.20	8.77
APRIL	5.80	7.00	20.69
MAY	5.80	7.80	34.48
JUNE	5.60	7.70	37.50
JULY	5.70	7.60	36.84
AUGUST	6.00	7.60	26.67
SEPTEMBER	5.80	7.50	29.31
TOTAL AVE.	5.78	6.92	19.60

**PERCENT

PREPARED NOVEMBER 1980



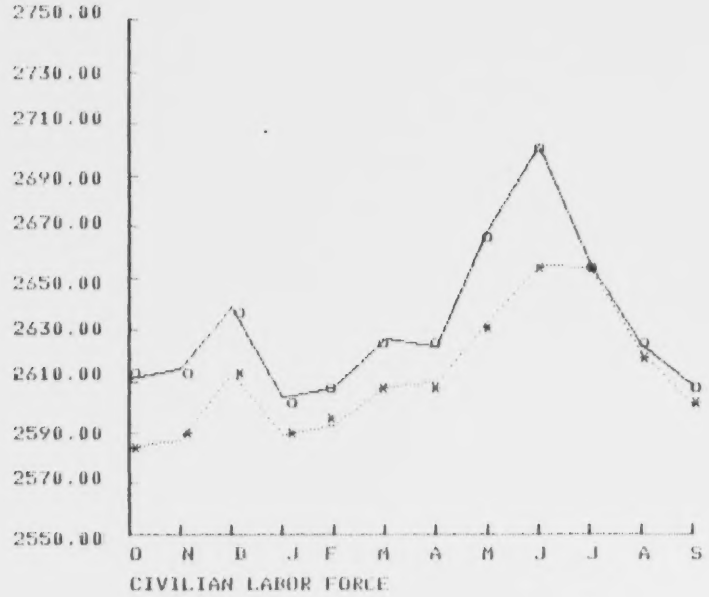
AGGREGATE EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%Δ
OCTOBER	2456.50	2438.80	(.72)
NOVEMBER	2458.50	2431.50	(1.10)
DECEMBER	2457.20	2421.30	(1.46)
JANUARY	2423.40	2361.50	(2.55)
FEBRUARY	2425.20	2361.10	(2.64)
MARCH	2455.30	2383.90	(2.91)
APRIL	2459.40	2384.40	(3.05)
MAY	2498.90	2383.30	(4.43)
JUNE	2498.20	2380.40	(4.72)
JULY	2482.00	2355.50	(5.10)
AUGUST	2447.70	2346.50	(4.13)
SEPTEMBER	2441.40	2356.10	(3.49)
TOTAL AVE.	2458.64	2384.11	(3.03)

**THOUSANDS

PREPARED NOVEMBER 1980



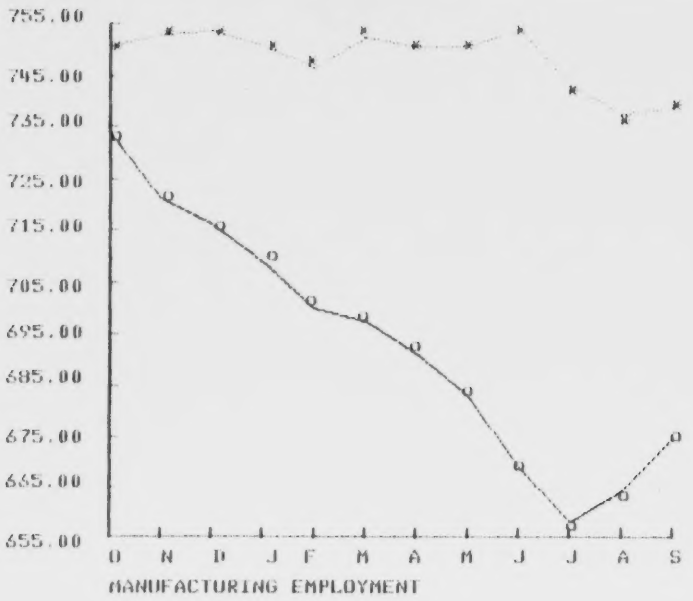
CIVILIAN LABOR FORCE

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%Δ
OCTOBER	2583.60	2610.90	1.06
NOVEMBER	2587.00	2614.40	1.06
DECEMBER	2612.60	2638.10	.98
JANUARY	2588.80	2603.70	.58
FEBRUARY	2592.80	2606.80	.54
MARCH	2607.50	2625.90	.71
APRIL	2609.10	2623.30	.54
MAY	2632.40	2667.70	1.34
JUNE	2654.50	2701.10	1.76
JULY	2653.40	2655.20	.07
AUGUST	2620.80	2623.50	.10
SEPTEMBER	2600.60	2608.10	.29
TOTAL AVE.	2611.93	2631.56	.75

**THOUSANDS

PREPARED NOVEMBER 1980



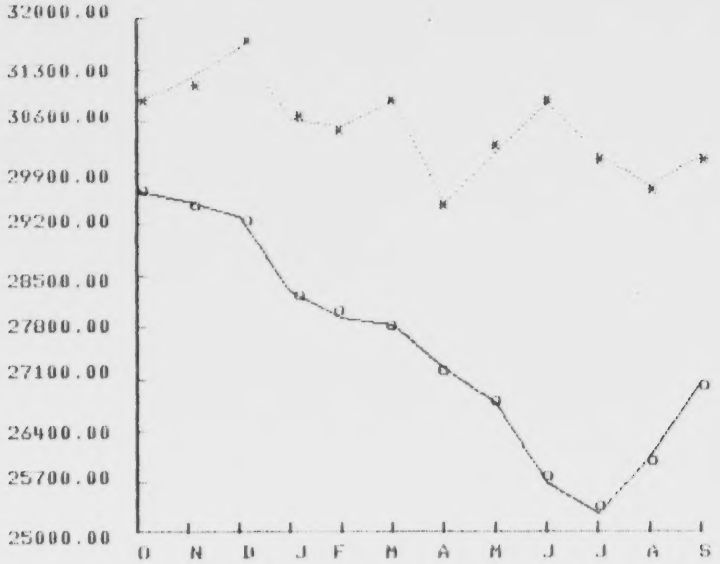
MANUFACTURING EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	750.40	733.80	(2.21)
NOVEMBER	752.60	720.90	(4.21)
DECEMBER	753.60	716.00	(4.99)
JANUARY	750.60	708.80	(5.57)
FEBRUARY	746.10	699.40	(6.26)
MARCH	752.10	696.90	(7.34)
APRIL	750.00	690.90	(7.88)
MAY	750.30	682.70	(9.01)
JUNE	753.50	668.70	(11.25)
JULY	742.40	658.10	(11.36)
AUGUST	737.00	663.80	(9.93)
SEPTEMBER	738.10	674.60	(8.60)
TOTAL AVE.	748.06	692.88	(7.38)

**THOUSANDS

PREPARED NOVEMBER 1980



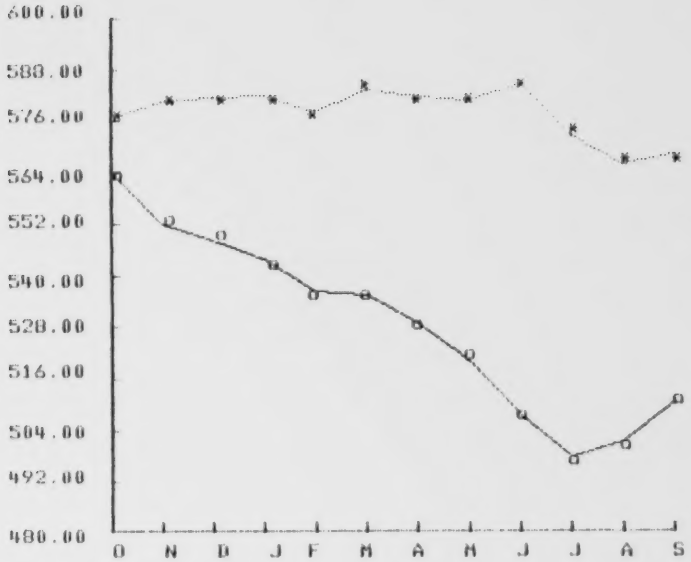
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MANUFACTURING

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	30841.44	29645.52	(3.88)
NOVEMBER	31157.64	29484.81	(5.37)
DECEMBER	31575.84	29284.40	(7.26)
JANUARY	30624.48	28281.12	(7.65)
FEBRUARY	30515.49	27906.06	(8.55)
MARCH	30836.10	27806.31	(9.83)
APRIL	29475.00	27221.46	(7.65)
MAY	30162.06	26761.84	(11.27)
JUNE	30818.15	25678.10	(16.68)
JULY	30141.44	25271.04	(16.16)
AUGUST	29701.10	26020.96	(12.39)
SEPTEMBER	30114.48	27051.46	(10.17)
TOTAL AVE.	30496.94	27534.42	(9.71)

**THOUSANDS

PREPARED NOVEMBER 1980



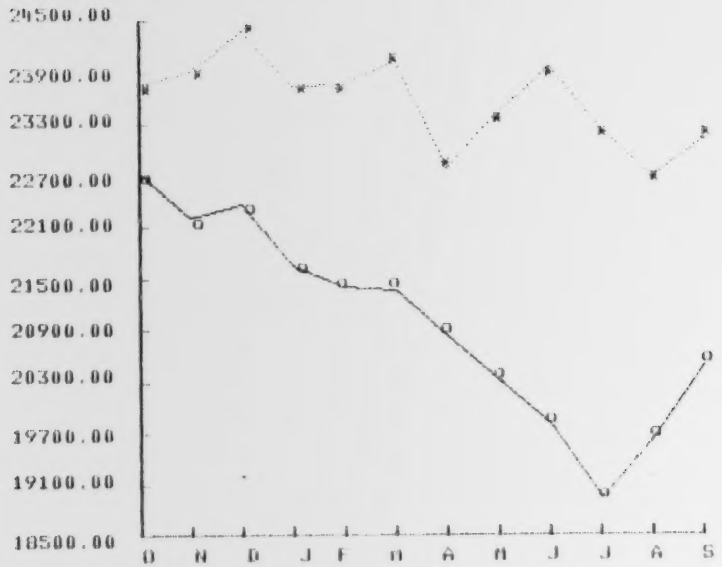
MANUFACTURING OF DURABLE GOODS
EMPLOYMENT

* :1978 - 1979
o :1979 - 1980.

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	576.30	564.10	(2.12)
NOVEMBER	580.40	552.00	(4.89)
DECEMBER	581.20	548.00	(5.71)
JANUARY	581.50	543.40	(6.55)
FEBRUARY	577.60	536.00	(7.20)
MARCH	583.00	535.00	(8.23)
APRIL	581.00	528.60	(9.02)
MAY	580.40	519.90	(10.42)
JUNE	584.30	507.40	(13.16)
JULY	571.90	497.50	(13.01)
AUGUST	565.20	501.20	(11.32)
SEPTEMBER	567.40	510.50	(10.03)
TOTAL AVE.	577.52	528.63	(8.46)

**THOUSANDS

PREPARED NOVEMBER 1980



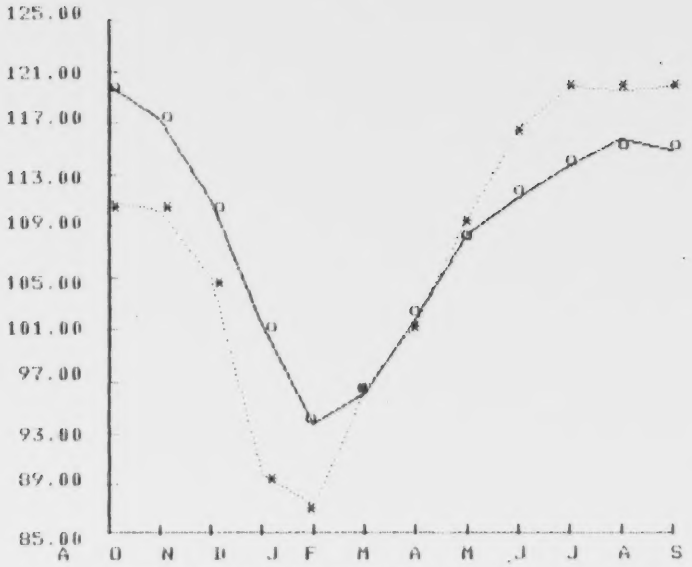
AVERAGE PEOPLE HOURS PER WORK WEEK
IN DURABLE GOODS MANUFACTURING

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	23743.56	22733.23	(4.26)
NOVEMBER	23912.48	22190.40	(7.20)
DECEMBER	24352.28	22358.40	(8.19)
JANUARY	23725.20	21627.32	(8.84)
FEBRUARY	23739.36	21386.40	(9.91)
MARCH	24019.60	21346.50	(11.13)
APRIL	22775.20	20826.84	(8.55)
MAY	23390.12	20328.09	(13.09)
JUNE	23956.36	19788.60	(17.40)
JULY	23219.14	18954.75	(18.37)
AUGUST	22664.52	19596.92	(13.53)
SEPTEMBER	23093.18	20471.05	(11.35)
TOTAL AVE.	23549.25	20967.38	(10.96)

**THOUSAND HOURS

PREPARED NOVEMBER 1980



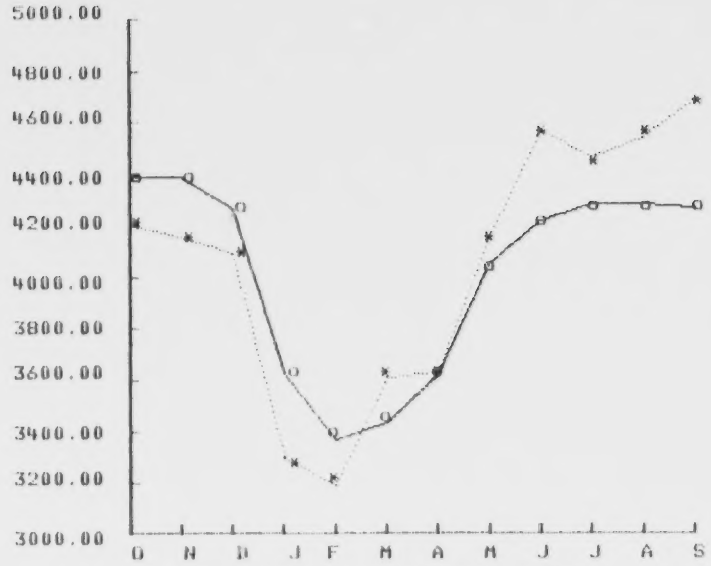
CONSTRUCTION EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	110.80	119.90	8.21
NOVEMBER	110.10	117.20	6.45
DECEMBER	104.80	110.80	5.73
JANUARY	89.70	101.20	12.82
FEBRUARY	87.40	93.70	7.21
MARCH	96.20	95.90	(.31)
APRIL	101.40	101.60	.20
MAY	109.40	108.10	(1.19)
JUNE	116.30	110.90	(4.64)
JULY	119.50	113.50	(5.02)
AUGUST	119.30	115.50	(3.19)
SEPTEMBER	119.60	114.60	(4.18)
TOTAL AVE.	107.04	108.58	1.43

**THOUSANDS

PREPARED NOVEMBER 1980



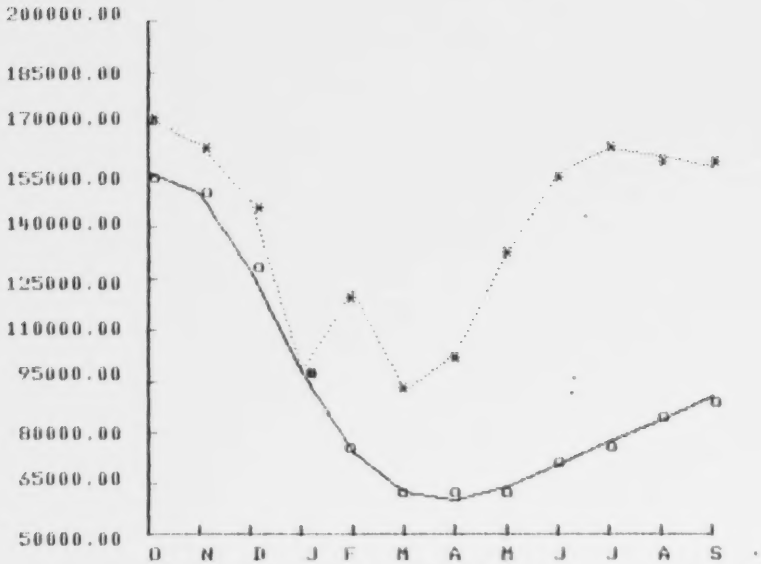
AVERAGE PEOPLE HOURS PER WORK WEEK
IN CONSTRUCTION

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	4199.30	4388.30	4.50
NOVEMBER	4150.80	4383.30	5.60
DECEMBER	4087.20	4265.80	4.37
JANUARY	3292.00	3623.00	10.05
FEBRUARY	3190.10	3363.80	5.44
MARCH	3607.50	3433.20	(4.83)
APRIL	3630.10	3617.00	(.36)
MAY	4146.30	4042.90	(2.49)
JUNE	4559.00	4214.20	(7.56)
JULY	4457.40	4278.90	(4.00)
AUGUST	4533.40	4273.50	(5.73)
SEPTEMBER	4676.40	4263.10	(8.84)
TOTAL AVE.	4044.13	4012.25	(.79)

**THOUSANDS

PREPARED NOVEMBER 1980



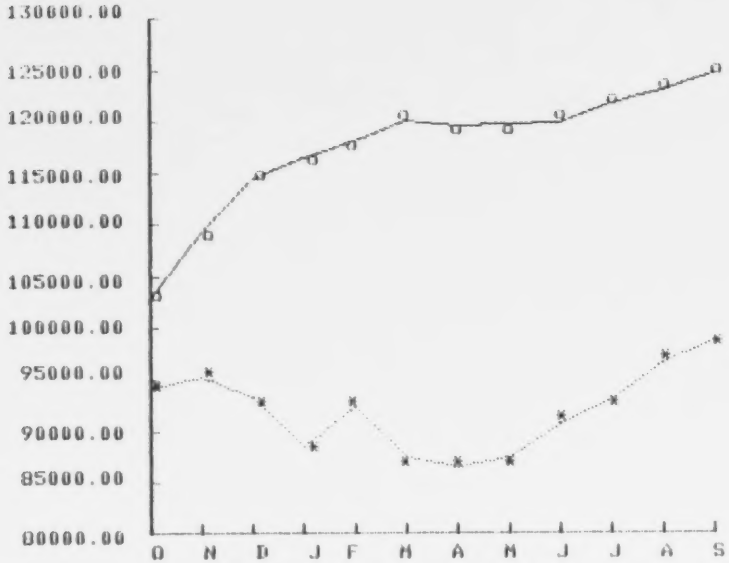
EXPENDITURES FOR RESIDENTIAL CONSTRUCTION

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
OCTOBER	171637.60	155463.70	(9.42)
NOVEMBER	163565.00	149439.10	(8.64)
DECEMBER	146830.90	126774.00	(13.66)
JANUARY	97597.00	97300.00	(.30)
FEBRUARY	120756.00	74100.00	(38.64)
MARCH	91701.00	62000.00	(32.39)
APRIL	102469.50	60000.00	(41.45)
MAY	131507.00	63900.00	(51.41)
JUNE	154808.00	70600.00	(54.40)
JULY	162188.00	77000.00	(52.52)
AUGUST	159984.40	83200.00	(47.99)
SEPTEMBER	156703.10	90300.00	(42.38)
TOTAL AVE.	138312.29	92506.40	(33.12)

**THOUSAND $

PREPARED NOVEMBER 1980



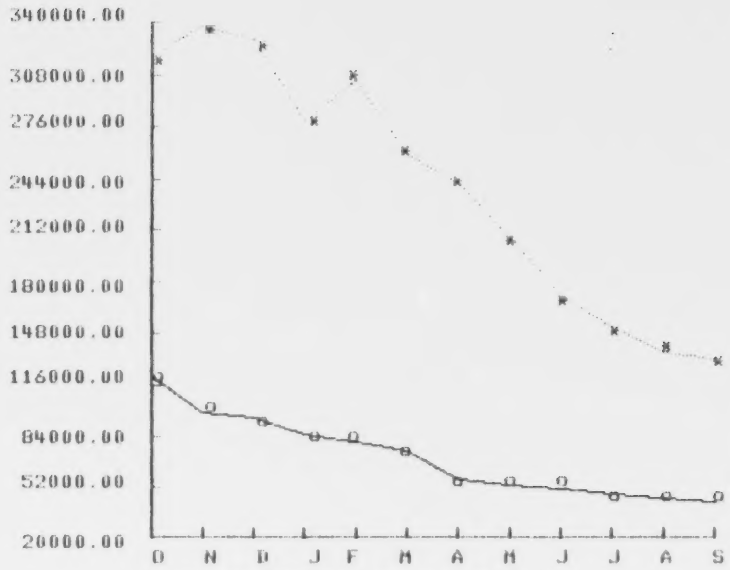
EXPENDITURES FOR NON-RESIDENTIAL CONSTRUCTION

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
OCTOBER	93971.10	102707.50	9.30
NOVEMBER	95238.60	108969.70	14.42
DECEMBER	93184.80	114216.20	22.57
JANUARY	88383.10	116300.00	31.59
FEBRUARY	92186.60	118000.00	28.00
MARCH	87420.20	120000.00	37.27
APRIL	86461.40	119300.00	37.98
MAY	87379.10	119500.00	36.76
JUNE	90682.40	119700.00	32.00
JULY	92971.40	121600.00	30.79
AUGUST	96470.30	122800.00	27.29
SEPTEMBER	98664.80	124500.00	26.18
TOTAL AVE.	91917.82	117299.45	27.61

**THOUSAND $

PREPARED NOVEMBER 1980



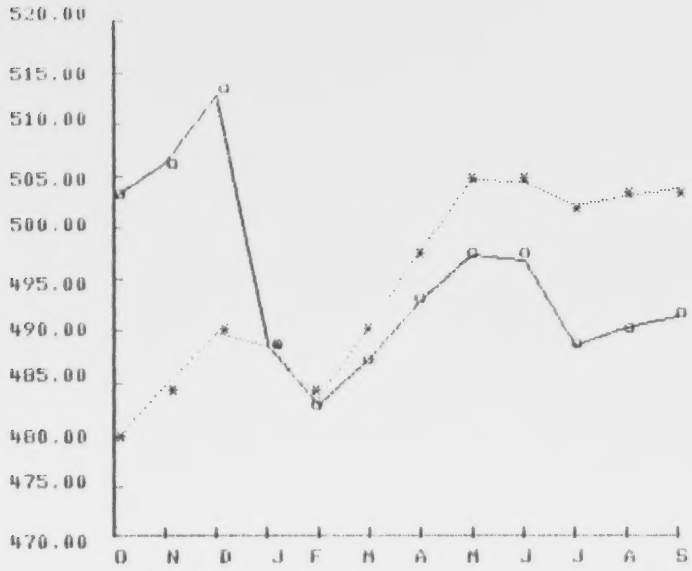
EXPENDITURES FOR PUBLIC WORKS AND
UTILITIES FACILITIES

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/oA
OCTOBER	320253.40	120315.00	(62.43)
NOVEMBER	337396.80	98753.70	(70.73)
DECEMBER	329020.40	94667.90	(71.23)
JANUARY	278895.00	84200.00	(69.81)
FEBRUARY	303407.00	79700.00	(73.73)
MARCH	257635.00	73700.00	(71.39)
APRIL	240437.40	56300.00	(76.58)
MAY	207178.00	53300.00	(74.27)
JUNE	169373.00	50600.00	(70.13)
JULY	150997.00	47600.00	(68.48)
AUGUST	135466.90	44600.00	(67.08)
SEPTEMBER	131436.10	42600.00	(67.59)
TOTAL AVE.	230458.00	70528.05	(70.42)

**THOUSAND $

PREPARED NOVEMBER 1980



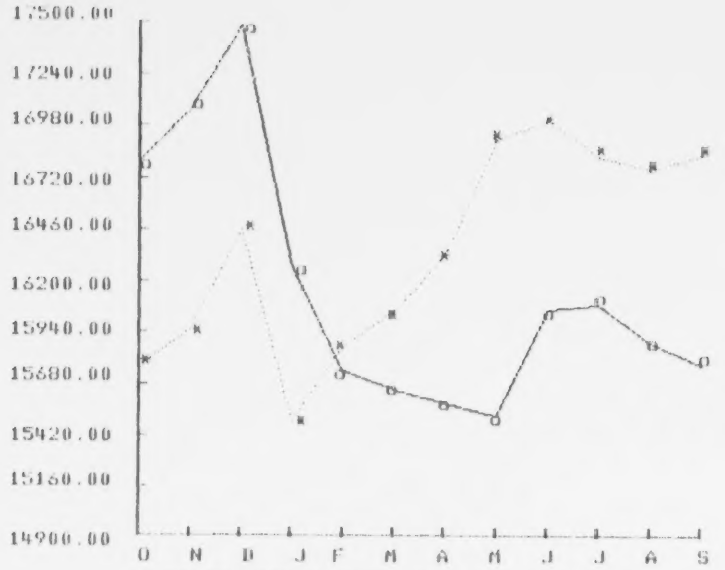
WHOLESALE AND RETAIL TRADE
EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/oA
OCTOBER	479.30	502.80	4.90
NOVEMBER	484.60	506.10	4.44
DECEMBER	489.70	512.60	4.68
JANUARY	488.50	488.50	0.00
FEBRUARY	483.60	482.80	(.17)
MARCH	490.40	487.40	(.61)
APRIL	497.80	492.80	(1.00)
MAY	504.40	497.20	(1.43)
JUNE	504.30	496.70	(1.51)
JULY	501.90	488.40	(2.69)
AUGUST	502.90	490.10	(2.55)
SEPTEMBER	503.60	491.20	(2.46)
TOTAL AVE.	494.25	494.72	.09

**THOUSANDS

PREPARED NOVEMBER 1980



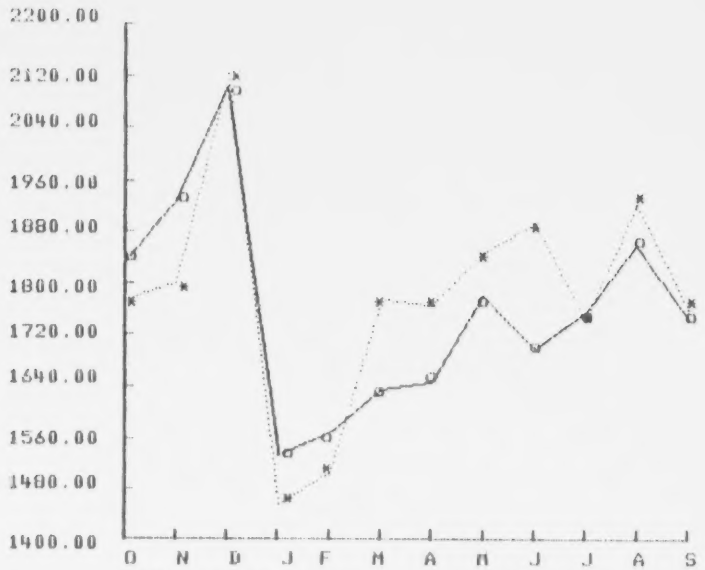
AVERAGE PEOPLE HOURS PER WORK WEEK
IN WHOLESALE AND RETAIL TRADE

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	o/oΔ
OCTOBER	15769.00	16793.50	6.50
NOVEMBER	15943.30	17055.60	6.98
DECEMBER	16453.90	17479.70	6.23
JANUARY	15485.50	16267.00	5.05
FEBRUARY	15862.10	15739.30	(.77)
MARCH	16036.10	15645.50	(2.44)
APRIL	16327.40	15572.50	(4.62)
MAY	16897.40	15512.60	(8.20)
JUNE	16994.90	16043.40	(5.60)
JULY	16813.70	16068.40	(4.43)
AUGUST	16746.60	15879.20	(5.18)
SEPTEMBER	16820.20	15767.50	(6.26)
TOTAL AVE.	16345.04	16152.02	(1.19)

**THOUSAND

PREPARED NOVEMBER 1980



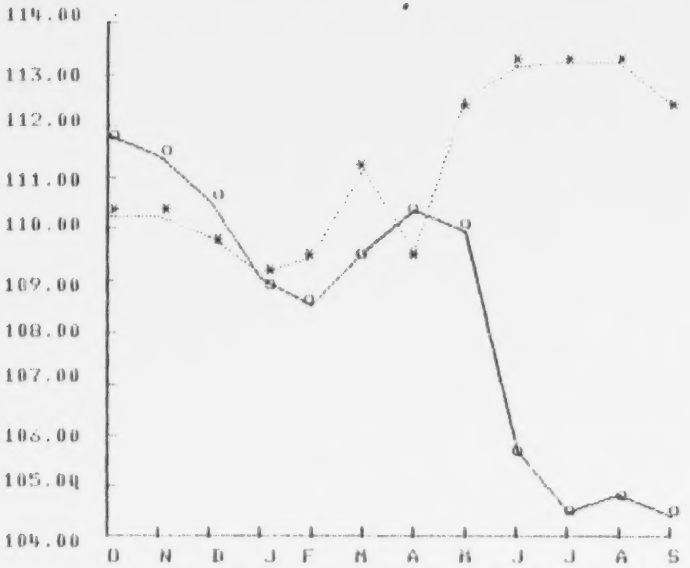
TOTAL RETAIL SALES

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	o/oΔ
OCTOBER	1771.00	1829.00	3.27
NOVEMBER	1797.00	1925.00	7.12
DECEMBER	2119.00	2100.00	(.90)
JANUARY	1457.00	1532.00	5.15
FEBRUARY	1504.00	1565.00	4.06
MARCH	1771.00	1630.00	(7.96)
APRIL	1763.00	1644.00	(6.75)
MAY	1843.00	1777.00	(3.58)
JUNE	1891.00	1694.00	(10.42)
JULY	1738.00	1751.00	.75
AUGUST	1919.00	1855.00	(3.34)
SEPTEMBER	1755.00	1743.00	(.68)
TOTAL AVE.	1777.33	1753.75	(1.33)

**MILLION $

PREPARED NOVEMBER 1980



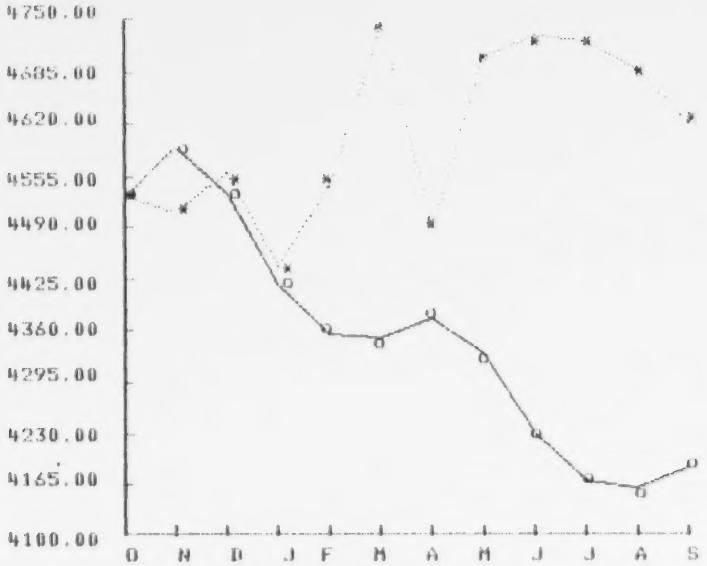
TRANSPORTATION, COMMUNICATION, AND
UTILITIES EMPLOYMENT

* 1978 - 1979
o 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	110.20	111.80	1.45
NOVEMBER	110.20	111.40	1.09
DECEMBER	109.80	110.50	.64
JANUARY	109.10	109.00	(.09)
FEBRUARY	109.40	108.50	(.82)
MARCH	111.10	109.50	(1.44)
APRIL	109.50	110.30	.73
MAY	112.50	109.90	(2.31)
JUNE	113.10	105.70	(6.54)
JULY	113.20	104.50	(7.69)
AUGUST	113.20	104.80	(7.42)
SEPTEMBER	112.40	104.40	(7.12)
TOTAL AVE.	111.14	108.36	(2.50)

**THOUSANDS

PREPARED NOVEMBER 1980



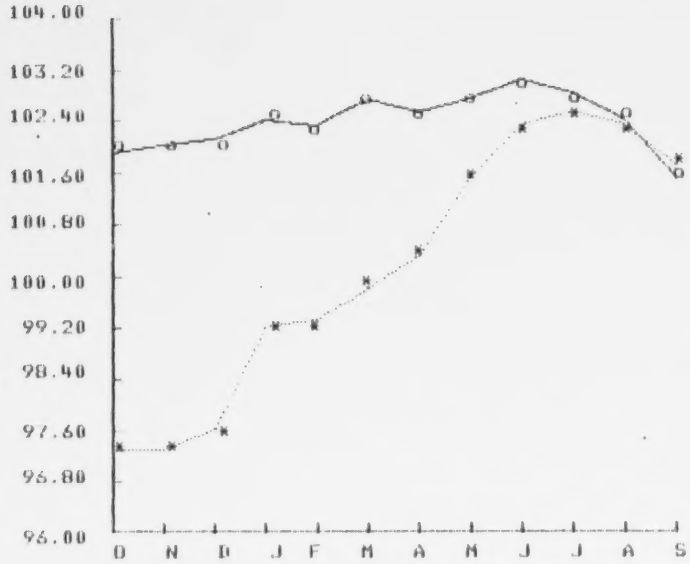
AVERAGE PEOPLE HOURS PER WORK WEEK
IN TRANSPORTATION COMMUNICATION, EMP

* 1978 - 1979
o 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	4529.20	4527.90	(.03)
NOVEMBER	4587.20	4569.70	1.83
DECEMBER	4556.70	4530.50	(.57)
JANUARY	4440.40	4416.70	(.53)
FEBRUARY	4540.10	4353.00	(4.12)
MARCH	4741.80	4349.30	(8.28)
APRIL	4489.50	4372.30	(2.61)
MAY	4702.50	4330.10	(7.92)
JUNE	4727.60	4228.00	(10.57)
JULY	4720.40	4169.50	(11.67)
AUGUST	4686.50	4160.60	(11.22)
SEPTEMBER	4619.60	4186.40	(9.38)
TOTAL AVE.	4605.13	4351.17	(5.51)

**THOUSANDS OF HOURS

PREPARED NOVEMBER 1980



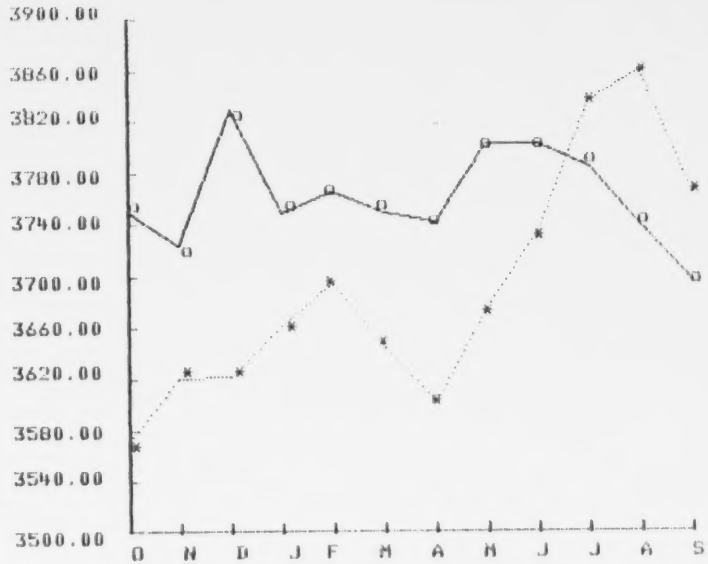
FINANCE, INSURANCE, AND REAL ESTATE
EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	o/oA
OCTOBER	97.30	101.90	4.73
NOVEMBER	97.30	102.00	4.83
DECEMBER	97.60	102.10	4.61
JANUARY	99.20	102.40	3.23
FEBRUARY	99.30	102.30	3.02
MARCH	99.80	102.70	2.91
APRIL	100.30	102.50	2.19
MAY	101.50	102.70	1.18
JUNE	102.30	103.00	.68
JULY	102.50	102.80	.29
AUGUST	102.30	102.40	.10
SEPTEMBER	101.70	101.50	(.20)
TOTAL AVE.	100.09	102.36	2.26

**THOUSANDS

PREPARED NOVEMBER 1980



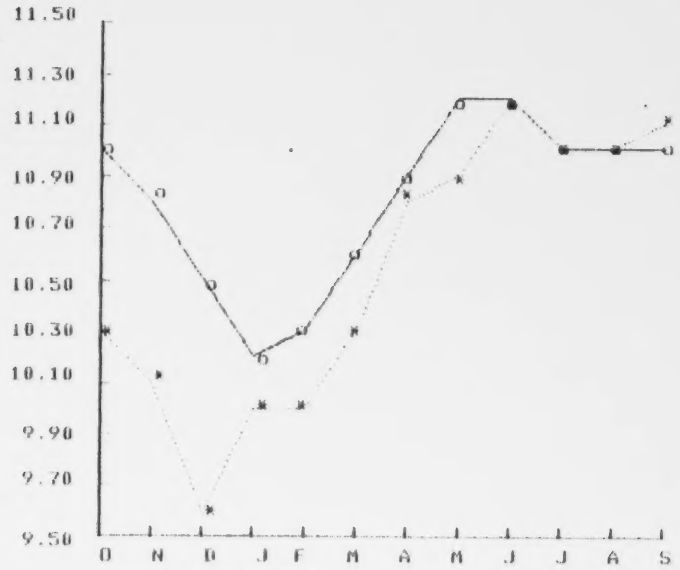
AVERAGE PEOPLE HOURS PER WORK WEEK
IN FINANCE, INSURANCE, REAL ESTATE

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	o/oA
OCTOBER	3570.90	3749.90	5.01
NOVEMBER	3619.60	3723.00	2.86
DECEMBER	3621.00	3828.80	5.74
JANUARY	3660.50	3747.80	2.38
FEBRUARY	3694.00	3764.60	1.91
MARCH	3642.70	3748.60	2.91
APRIL	3600.80	3741.30	3.90
MAY	3674.30	3799.90	3.42
JUNE	3734.00	3800.70	1.79
JULY	3833.50	3783.00	(1.32)
AUGUST	3856.70	3737.60	(3.09)
SEPTEMBER	3762.90	3694.60	(1.82)
TOTAL AVE.	3689.24	3759.90	1.92

**THOUSAND HOURS

PREPARED NOVEMBER 1980



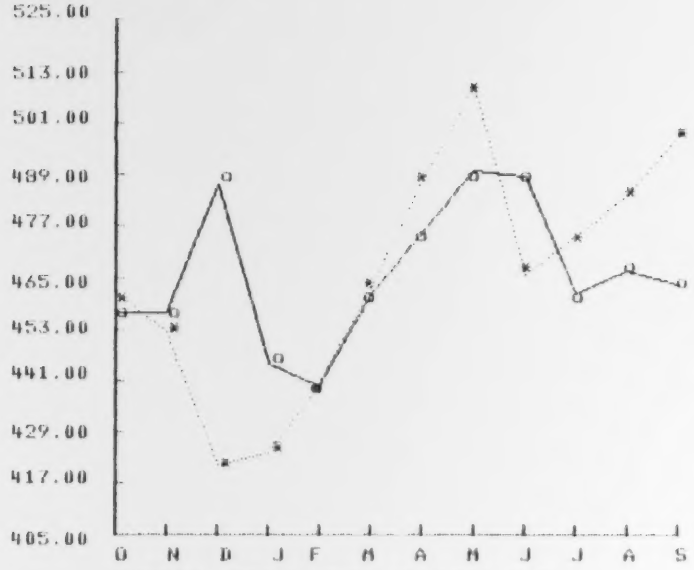
MINING EMPLOYMENT

* : 1978 - 1979
o : 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	10.30	11.00	6.80
NOVEMBER	10.10	10.80	6.93
DECEMBER	9.60	10.50	9.38
JANUARY	10.00	10.20	2.00
FEBRUARY	10.00	10.30	3.00
MARCH	10.30	10.60	2.91
APRIL	10.80	10.90	.93
MAY	10.90	11.20	2.75
JUNE	11.20	11.20	0.00
JULY	11.00	11.00	0.00
AUGUST	11.00	11.00	0.00
SEPTEMBER	11.10	11.00	(.90)
TOTAL AVE.	10.53	10.81	2.69

**THOUSANDS

PREPARED NOVEMBER 1980



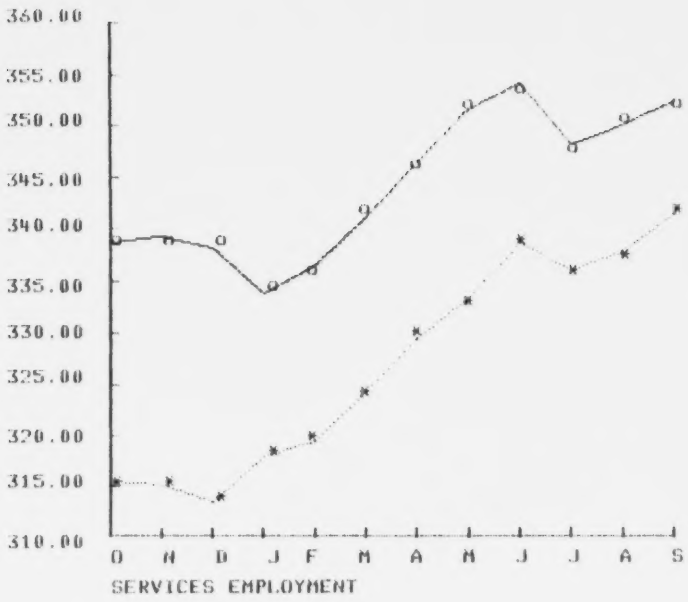
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MINING

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	461.40	456.80	(1.00)
NOVEMBER	452.50	456.80	.95
DECEMBER	421.40	486.20	15.38
JANUARY	424.00	444.70	4.88
FEBRUARY	440.00	439.80	(.05)
MARCH	462.50	461.10	(.30)
APRIL	487.20	475.20	(2.46)
MAY	509.60	489.40	(3.96)
JUNE	465.30	488.30	4.94
JULY	474.10	460.90	(2.78)
AUGUST	484.00	466.40	(3.64)
SEPTEMBER	498.30	463.10	(7.06)
TOTAL AVE.	465.03	465.73	.15

**THOUSAND HOURS

PREPARED NOVEMBER 1980



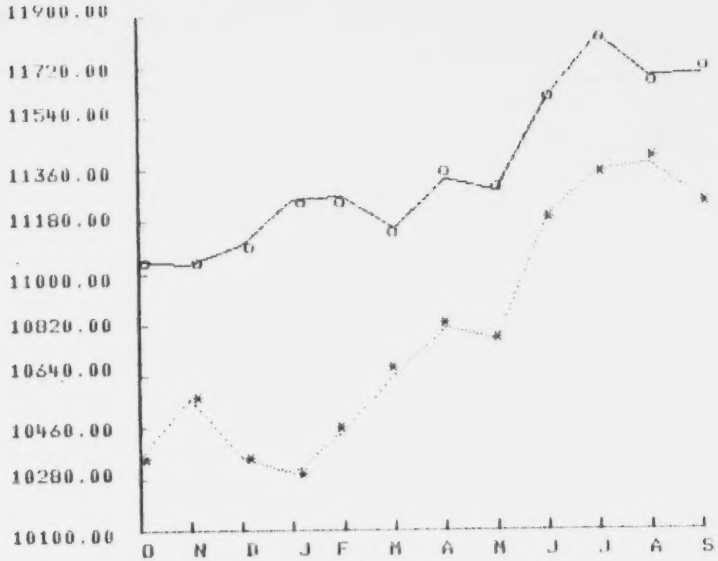
SERVICES EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	315.60	338.60	7.29
NOVEMBER	315.10	339.20	7.65
DECEMBER	313.60	338.10	7.81
JANUARY	317.90	333.80	5.00
FEBRUARY	319.40	336.20	5.26
MARCH	324.30	341.00	5.15
APRIL	329.40	346.30	5.13
MAY	333.20	351.40	5.46
JUNE	338.50	354.00	4.58
JULY	336.00	347.90	3.54
AUGUST	337.50	349.70	3.61
SEPTEMBER	341.10	352.10	3.22
TOTAL AVE.	326.80	344.03	5.27

**THOUSANDS

PREPARED NOVEMBER 1980



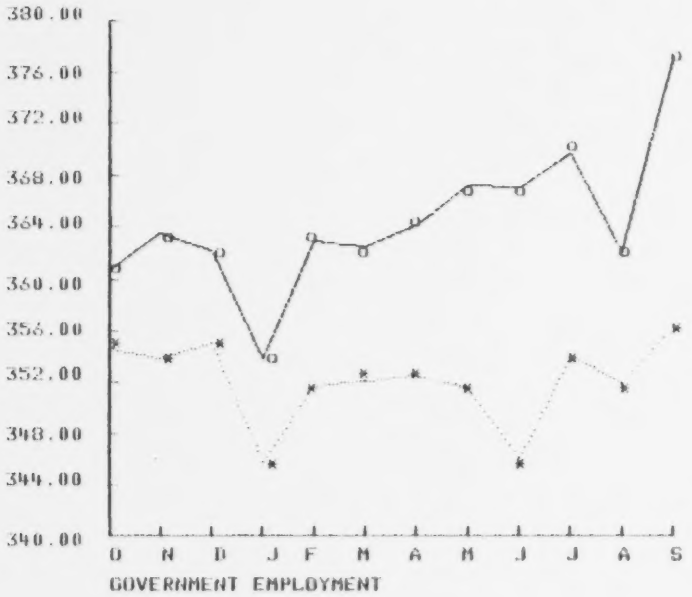
AVERAGE PEOPLE HOURS PER WORK WEEK
IN SERVICES

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	10351.70	11038.40	6.63
NOVEMBER	10555.90	11024.00	4.43
DECEMBER	10348.80	11089.70	7.16
JANUARY	10300.00	11249.10	9.21
FEBRUARY	10444.40	11262.70	7.83
MARCH	10637.00	11150.70	4.83
APRIL	10804.30	11324.00	4.81
MAY	10762.40	11279.90	4.81
JUNE	11204.40	11611.20	3.63
JULY	11356.80	11828.60	4.15
AUGUST	11373.80	11680.00	2.69
SEPTEMBER	11256.30	11689.70	3.85
TOTAL AVE.	10782.98	11352.33	5.28

**THOUSANDS HOURS

PREPARED NOVEMBER 1980



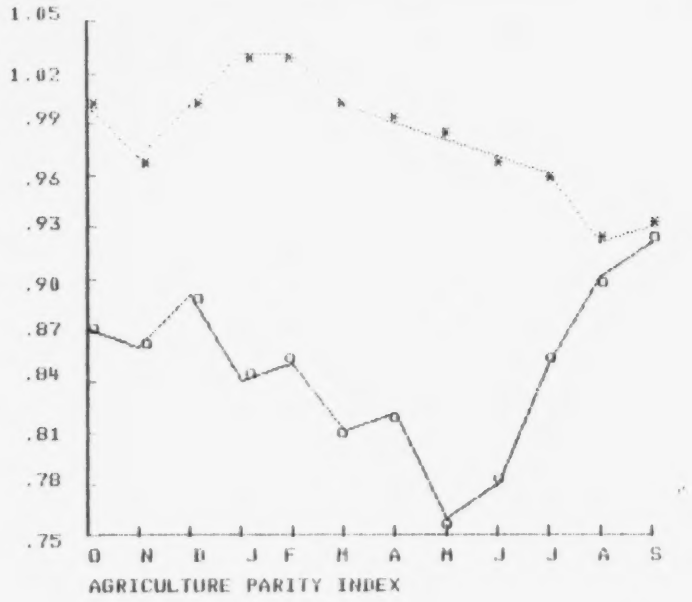
GOVERNMENT EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	354.40	360.60	1.75
NOVEMBER	353.70	363.40	2.74
DECEMBER	354.90	362.10	2.03
JANUARY	345.70	353.80	2.34
FEBRUARY	351.60	362.70	3.16
MARCH	352.00	362.40	2.95
APRIL	352.50	363.90	3.23
MAY	351.40	367.00	4.44
JUNE	346.00	366.90	6.04
JULY	353.90	369.50	4.41
AUGUST	351.90	361.90	2.84
SEPTEMBER	356.20	377.00	5.84
TOTAL AVE.	352.02	364.27	3.48

**THOUSANDS

PREPARED NOVEMBER 1980



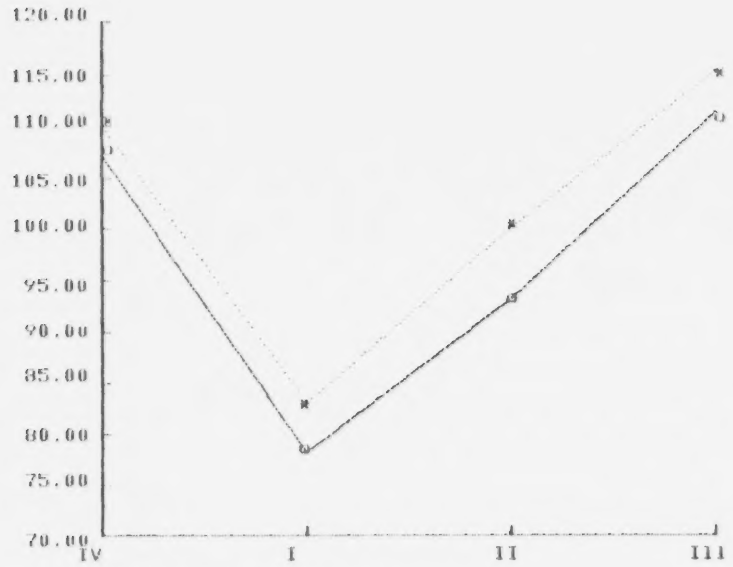
AGRICULTURE PARITY INDEX

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	1.00	.87	(13.00)
NOVEMBER	.97	.86	(11.34)
DECEMBER	1.00	.89	(11.00)
JANUARY	1.03	.84	(18.45)
FEBRUARY	1.03	.85	(17.48)
MARCH	1.00	.81	(19.00)
APRIL	.99	.82	(17.17)
MAY	.98	.76	(22.45)
JUNE	.97	.78	(19.59)
JULY	.96	.85	(11.46)
AUGUST	.92	.90	(2.17)
SEPTEMBER	.93	.92	(1.08)
TOTAL AVE.	.98	.85	(13.84)

**$ RECVD PER $ PAID

PREPARED NOVEMBER 1980



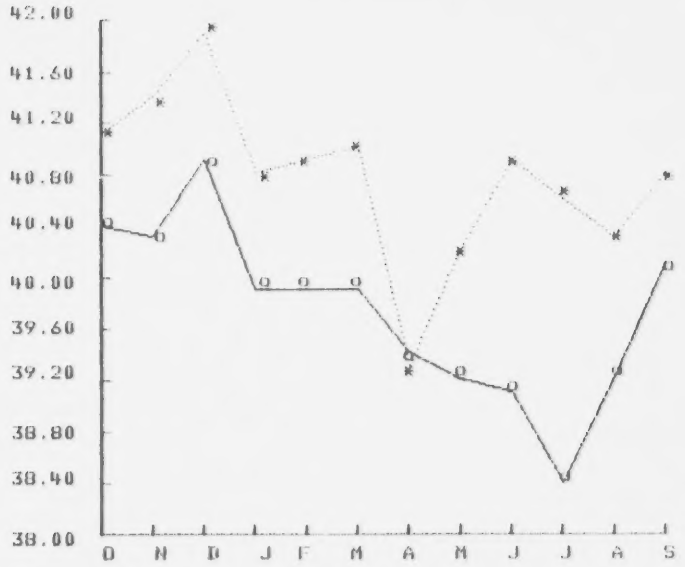
AGRICULTURAL EMPLOYMENT

* :1978 - 1979
o :1979 - 1980

QUARTER	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
IV	110.00	107.00	(2.73)
I	83.00	78.00	(6.02)
II	100.00	93.00	(7.00)
III	115.00	111.00	(3.48)
TOTAL AVE.	102.00	97.25	(4.66)

**THOUSANDS

PREPARED NOVEMBER 1980



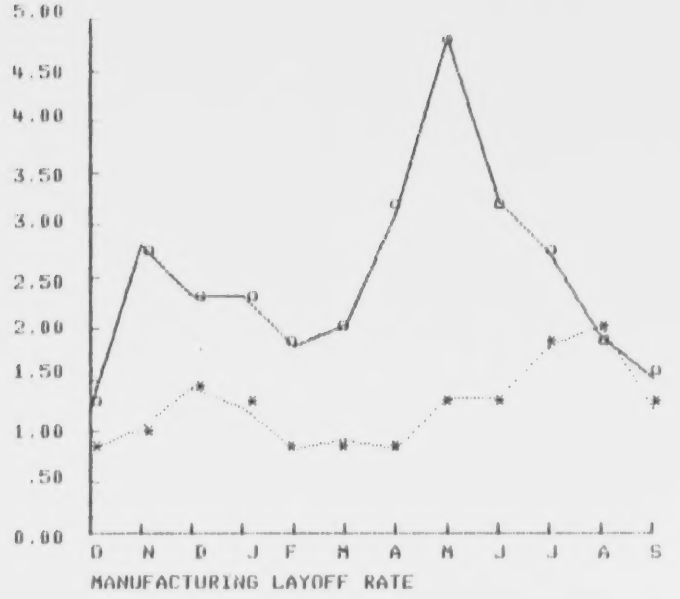
AVERAGE WORK WEEK IN MANUFACTURING

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	41.10	40.40	(1.70)
NOVEMBER	41.40	40.30	(2.66)
DECEMBER	41.90	40.90	(2.39)
JANUARY	40.80	39.90	(2.21)
FEBRUARY	40.90	39.90	(2.44)
MARCH	41.00	39.90	(2.68)
APRIL	39.30	39.40	.25
MAY	40.20	39.20	(2.49)
JUNE	40.90	39.10	(4.40)
JULY	40.60	38.40	(5.42)
AUGUST	40.30	39.20	(2.73)
SEPTEMBER	40.80	40.10	(1.72)
TOTAL AVE.	40.77	39.73	(2.56)

**HOURS

PREPARED NOVEMBER 1980



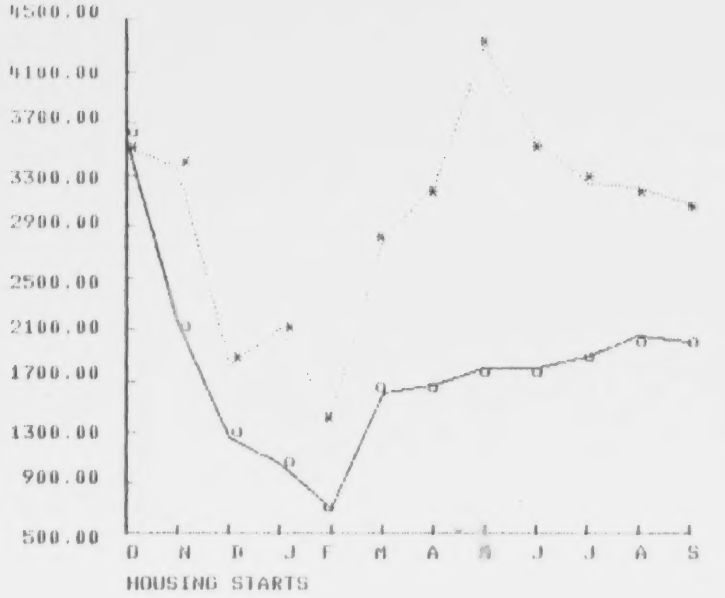
MANUFACTURING LAYOFF RATE

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	.80	1.20	50.00
NOVEMBER	1.00	2.80	180.00
DECEMBER	1.40	2.30	64.29
JANUARY	1.20	2.30	91.67
FEBRUARY	.80	1.80	125.00
MARCH	.90	2.00	122.22
APRIL	.80	3.10	287.50
MAY	1.30	4.80	269.23
JUNE	1.30	3.20	146.15
JULY	1.80	2.70	50.00
AUGUST	2.00	1.90	(5.00)
SEPTEMBER	1.20	1.50	25.00
TOTAL AVE.	1.21	2.47	104.14

**PER 100 WORKERS

PREPARED NOVEMBER 1980



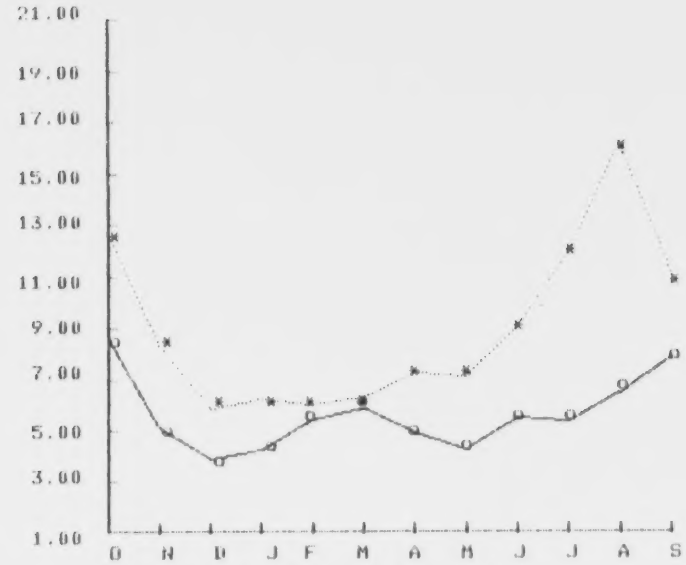
HOUSING STARTS

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
OCTOBER	3500.00	3561.00	1.74
NOVEMBER	3350.00	2153.00	(35.73)
DECEMBER	1809.00	1252.00	(30.79)
JANUARY	2098.00	1048.00	(50.05)
FEBRUARY	1443.00	695.00	(51.84)
MARCH	2796.00	1592.00	(43.06)
APRIL	3202.00	1655.00	(48.31)
MAY	4280.00	1786.00	(58.27)
JUNE	3554.00	1781.00	(49.89)
JULY	3215.00	1870.00	(41.84)
AUGUST	3191.00	2032.00	(36.32)
SEPTEMBER	3054.00	1993.00	(34.74)
TOTAL AVE.	2957.67	1784.83	(39.65)

**UNITS

PREPARED NOVEMBER 1980



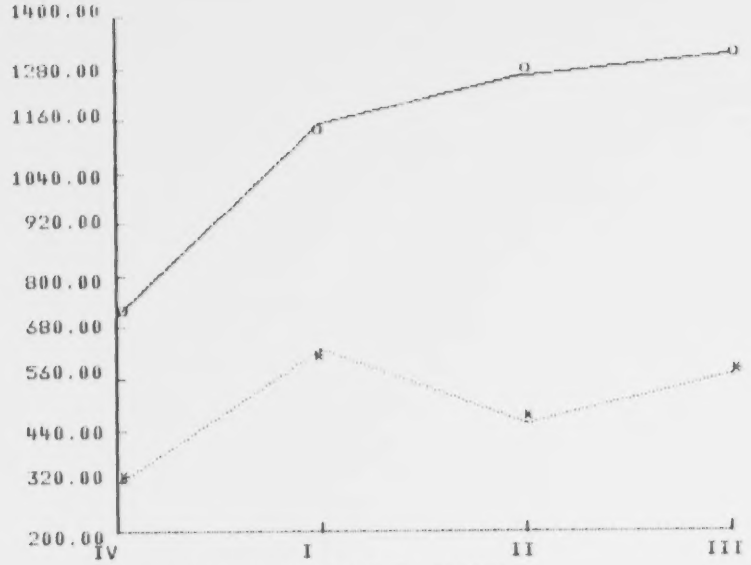
NON-AGRICULTURAL PLACEMENT OF INDIVIDUALS

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%Δ
OCTOBER	12.60	8.60	(31.75)
NOVEMBER	8.30	5.10	(38.55)
DECEMBER	5.80	3.90	(32.76)
JANUARY	6.20	4.20	(32.26)
FEBRUARY	6.00	5.40	(10.00)
MARCH	6.30	5.80	(7.94)
APRIL	7.20	4.90	(31.94)
MAY	7.10	4.20	(40.85)
JUNE	9.00	5.50	(38.89)
JULY	11.90	5.30	(55.46)
AUGUST	16.10	6.40	(60.25)
SEPTEMBER	10.90	7.80	(28.44)
TOTAL AVE.	8.95	5.59	(37.52)

**INDIVIDUALS

PREPARED NOVEMBER 1980



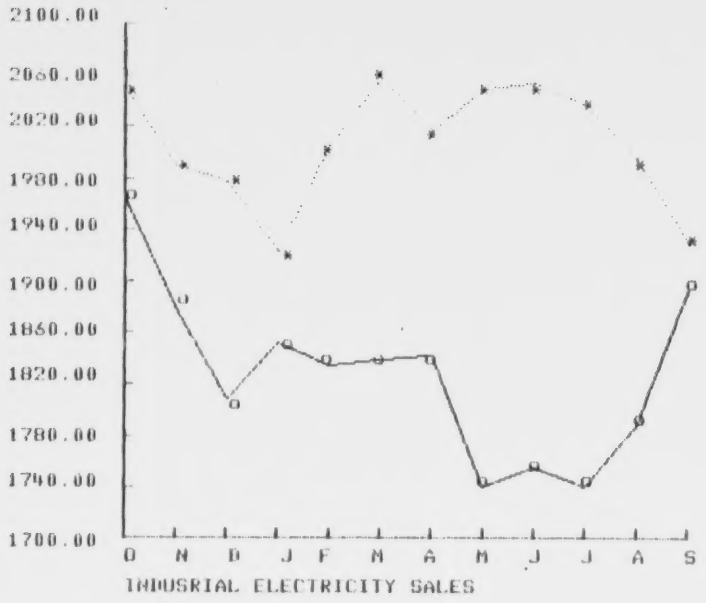
CONTINUED UNEMPLOYMENT CLAIMS

* :1978 - 1979
o :1979 - 1980

QUARTER	DATA VALUE **		
	78 - 79	79 - 80	%Δ
IV	314.40	706.00	124.55
I	623.40	1148.65	84.25
II	453.70	1256.64	176.98
III	566.00	1308.49	131.18
TOTAL AVE.	489.38	1104.95	125.79

**THOUSANDS

PREPARED NOVEMBER 1980



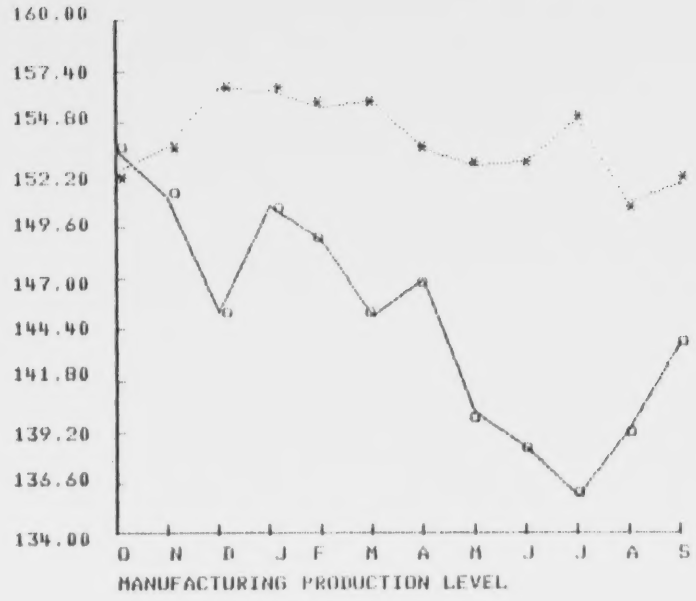
INDUSRIAL ELECTRICITY SALES

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	o/oA
OCTOBER	2048.00	1963.60	(4.12)
NOVEMBER	1988.60	1878.50	(5.54)
DECEMBER	1976.20	1807.00	(8.56)
JANUARY	1922.00	1850.40	(3.73)
FEBRUARY	2003.70	1833.40	(8.50)
MARCH	2055.70	1837.30	(10.62)
APRIL	2015.50	1839.90	(8.71)
MAY	2046.50	1740.20	(14.97)
JUNE	2052.10	1754.30	(14.51)
JULY	2034.40	1739.80	(14.48)
AUGUST	1993.00	1786.00	(10.39)
SEPTEMBER	1929.30	1892.60	(1.93)
TOTAL AVE.	2005.46	1826.92	(8.90)

**MILLION KWH

PREPARED NOVEMBER 1980



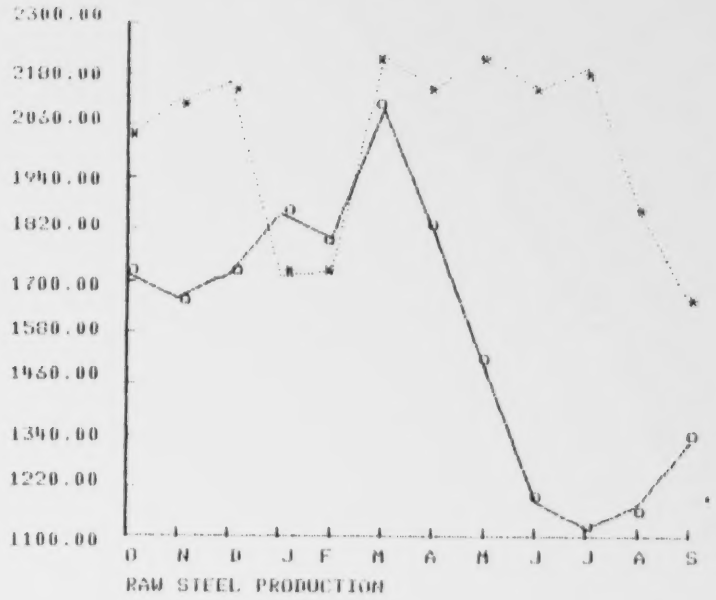
MANUFACTURING PRODUCTION LEVEL

* :1978 - 1979
o :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	o/oA
OCTOBER	152.30	153.40	.72
NOVEMBER	153.50	151.10	(1.56)
DECEMBER	156.50	145.20	(7.22)
JANUARY	156.40	150.60	(3.71)
FEBRUARY	155.50	148.90	(4.24)
MARCH	155.80	145.00	(6.93)
APRIL	153.40	146.80	(4.30)
MAY	152.60	140.20	(8.13)
JUNE	152.80	138.40	(9.42)
JULY	154.90	135.90	(12.27)
AUGUST	150.70	139.20	(7.63)
SEPTEMBER	151.60	143.60	(5.28)
TOTAL AVE.	153.83	144.86	(5.83)

**1967=100

PREPARED NOVEMBER 1980



RAW STEEL PRODUCTION

* 1978 - 1979
o 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
OCTOBER	2029.30	1711.60	(15.66)
NOVEMBER	2115.30	1657.70	(21.63)
DECEMBER	2153.30	1713.30	(20.43)
JANUARY	1710.30	1853.20	8.36
FEBRUARY	1715.60	1795.00	4.63
MARCH	2216.00	2095.20	(5.45)
APRIL	2140.90	1810.50	(15.43)
MAY	2218.80	1496.50	(32.55)
JUNE	2136.20	1183.30	(44.61)
JULY	2189.30	1121.40	(48.78)
AUGUST	1860.50	1175.30	(36.83)
SEPTEMBER	1641.80	1318.00	(19.72)
TOTAL AVE.	2010.61	1577.58	(21.54)

**THOUSAND NET TONS

PREPARED NOVEMBER 1980

S 2580-2 U

INDIANA'S ECONOMY

INDIANA DEPARTMENT OF COMMERCE
LIEUTENANT GOVERNOR JOHN M. MUTZ, DIRECTOR
BRIAN R. BOSWORTH, DEPUTY DIRECTOR

ECONOMIC RESEARCH DIVISION
EDWARD K. PHELAN, DIRECTOR

FEBRUARY 1981

Prepared by: William M. Ritteman, Research Analyst
Economic Research Division

MAR 13 1981

The Division of Economic Research provides this publication in response to the need for a general overview of the state's economy. While it is not intended to serve as a forecast of economic trends, "Indiana's Economy" may provide useful information on possible future developments in Indiana's economic climate. The information found in this publication was compiled from various state and federal sources. While every effort has been made to insure that the most recent data available is employed, differing time lags preclude presentation within a single time framework.

The foregoing report will present data in a narrative accompanied by graphs. Most of the data in this issue is provided for the following period:

January, 1979 through December, 1980

Any comments or suggestions regarding "Indiana's Economy" are welcomed and may be addressed to the office below.

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The preparation of this report was financed in part under a section 302-A Economic Development Planning Assistance Grant from the Economic Development Administration, U.S. Department of Commerce.

The purpose of this report is to provide a brief overview of Indiana's economy through December 1980. While this report reviews recent activity in individual sectors of the state's economy, sections on overall and leading indicators are intended to provide insight into current functioning and possible future developments in the state's economy.

Overall Indicators

Indiana's overall indicators of economic activity include personal income, aggregate employment, and the unemployment rate. Changes in these variables generally accompany fluctuations in the state's economy.

The preliminary estimate for Indiana's seasonally adjusted total personal income in the third quarter of 1980 stood at an annual rate of $49.56 billion. This figure represents a 2.6 percent rise above the previous quarter and an increase of 6.5 percent beyond the third quarter 1979 level. U.S. increases in total personal income were 3.1 percent and 10.1 percent during the same periods respectively. Indiana's seasonally adjusted nonfarm personal income stood at $48.7 billion in the third quarter of 1980. This estimate represents a gain of 2.6 percent above the previous period and an increase of seven percent above the third quarter 1979 estimate. U.S. nonfarm personal income rose by 3.1 percent and 10.7 percent during the corresponding periods. Among individual states, Indiana was ranked 39th for its percent increase in nonfarm personal income during the period from second quarter 1980 to third quarter 1980. Personal income derived from government, construction, and services employment rose by 2.5 percent, 1.4 percent, and 0.5 percent respectively, during the period from second quarter 1980 to third quarter 1980. A very mild increase in personal income derived from manufacturing salaries was realized, while income derived from mining declined two percent during this period.

The December 1980 estimate for aggregate employment stood at 2.36 million, a decline of 0.38 percent below the previous month. Indiana's labor force also declined in December to reach 2.59 million persons. U.S. aggregate employment fell to 97.54 million during the period from November to December 1980, a drop of 256,000 persons. The nation's labor force also declined during this period, as the December estimate of 104.78 million represents a drop of 509,000 persons.

Indiana's seasonally adjusted unemployment rate reached 8.2 percent in December 1980, while the U.S. rate stood at 7.4 percent of the labor force. Since changes in Indiana's

unemployment rate often preceed corresponding fluctuations in the national level, steady declines in Indiana unemployment during recent months suggest that the national level of unemployment may continue to decline in the near future.

Continued unemployment claims experienced a substantial decline in the fourth quarter of 1980, following a steadily increasing pattern evidenced in earlier months. These figures represent cummulative weekly unemployment claims filed by individuals. The fourth quarter 1980 level of 939,390 claims represents a 28.2 percent decline below the previous quarter. However the fourth quarter 1980 estimate stood 33.1 percent above the fourth quarter 1979 level of claims.

Individual Sectors

Manufacturing employment declined to 691,600 persons in December 1980. This level represents a decline of 0.13 percent below the previous month and a 3.4 percent drop from the December 1979 estimate. However, due to an increasing average work week per person, manufacturing work input rose by 1.3 percent during the period from November to December 1980. The 1980 average monthly employment level in manufacturing stood at 685,040, a decline of 7.5 percent below the 1979 average.

The bulk of Indiana's 1980 manufacturing declines occured in the durable goods industry. Durable goods manufacturing comprises approximately 76 percent of Indiana's total manufacturing employment, and changes in this group are often considered an indication of future movement in Indiana's overall economy. The December 1980 estimate for durable goods manufacturing employment represents a 0.19 percent decline below the previous month's level and a 3.9 percent drop from the December 1979 level. However, an increasing average work week per person has allowed work input in durable goods manufacturing to rise by 1.8 percent in the period from November to December 1980. Steady, though mild, increases in work input have occured in this sector since July, 1980. Although this data provides some basis for optimism, durable goods manufacturing has provided the major impetus for Indiana's recent economic slowdown. The 1980 average monthly employment level was 2.2 percent below the 1979 average.

Within the durable goods manufacturing sector, the largest employment losses occured with processors of stone, clay, and glass, and transportation equipment firms. These areas experienced employment declines of 1.7 percent and 3.8 percent respectively, between November and December 1980. The transportation equipment subcategory of automotive and automotive parts manufacturers experienced a 6.5 percent employment drop during this period. However, modest employment gains were experienced in instrument and primary metals firms which sustained increases of 1.6 percent and 1.3 percent respectively. Within the latter category, steel mills realized a 1.9 percent employment increase from November to December 1980.

Construction employment declined by 4,200 persons from November to December 1980, a loss of 3.8 percent. This loss, partially offset by an increased average work week per person, resulted in a 1.7 percent lower work input in December. Construction employment also declined 2.9 percent from December 1979 to December 1980. Along with a declining average work week per person this change produced a 3.4 percent drop in work input during the same period. The 1980 average monthly construction employment level represents a 1.3 percent decline from the 1979 average.

Expenditures for residential construction experienced a consistent pattern of growth during the second and third quarters of 1980, although these gains were offset by the remaining months of the year. The December 1980 level of $100.7 million represents a 4.5 percent decline from the previous month and a drop of 20.6 percent from the December 1979 estimate. The 1980 average monthly level of residential expenditures represents a 38.9 percent decline from the 1979 average. In contrast, expenditures for non-residential construction comprised a positive growth pattern in 1980. The December level of $125.3 million represents a 4.1 percent increase above the previous month and a 9.7 percent rise from the December 1979 level. The 1980 average monthly level of non-residential expenditures surpassed the 1979 average by 26.7 percent.

Expenditures for public works and utilities facilities presented a pattern of steady decline throughout 1980. The December estimate of $37.1 million represents a 2.6 percent decline from the previous month and a drop of 60.8 percent below the December 1979

level. The 1980 average monthly level of expenditures was 70.4 percent below the 1979 average. Depressed spending through 1980 may be partially attributed to work stoppages sustained in the construction of safety-related features at the Marble Hill nuclear power plant near Madison, Indiana. No date has been projected for full resumption of construction, as officials are currently awaiting approval from the Nuclear Regulatory Commission.

Employment in the wholesale and retail trade sector continued a modest pattern of growth which began in July 1980. The December 1980 estimate of 499,200 persons represents a gain of 0.69 percent above the previous month. In conjunction with a modest rise in the average work week per person, this increase produced a 2.9 percent gain in work input. However, despite gains realized in the latter half of the year, the December 1980 level of employment is a 2.6 percent decline from the December 1979 figure. Along with a moderate drop in the average work week per person, work input also declined by 6.3 percent during this period. Throughout 1980, the average work week remained low, ranging from 33.3 hours in January, to 31.2 hours in March. The 1979 average monthly employment estimate in wholesale and retail trade surpassed the 1980 average by 1.6 percent.

Total retail sales stood at $1.89 billion in November 1980. This level represents a 0.26 percent increase above the previous month's level. However, a 1.7 percent decline occured in the period from November 1979 to November 1980. The December 1980 estimate for Indiana total retail sales was not available at the time of publication.

Transportation, communication, and utilities employment declined 0.58 percent during the period from November to December 1980, to reach 103,300. However, this change was offset by an increasing average work week per person which allowed work input in this sector to rise by 0.17 percent during the same period. The December 1980 estimate for transportation, communication, and utilities employment represents a drop of 6.5 percent from the December 1979 level. The 1979 average monthly employment estimate surpassed the 1980 average by 4.4 percent.

Employment in finance, insurance, and real estate stood at 101,300 in December 1980, a gain of 0.2 percent from the previous month. Since the average work week remained unchanged, this employment increase allowed total work input to rise by 0.2 percent also. While employment in this sector declined by 0.78 percent from December 1979 to Dec-

ember 1980, a drop in the average work week contributed to a 2.6 percent loss in work input during this period. However, these figures showed a positive net change in 1980. The 1980 average monthly employment level was 0.94 percent higher than the 1979 average. Average monthly work input rose by 0.66 percent from 1979 to 1980 also.

Indiana's mining industry experienced a 2.8 percent decline in employment from November to December 1980. While partially offset by an increased average work week per person, this change produced a 1.6 percent decline in work input. Mining employment stood at 10,500 persons in December 1979 and in December 1980. However, the 1980 average monthly employment level in this sector surpassed the 1979 average by 0.78 percent.

Service industry employment declined by 0.37 percent from November, to reach a level of 347,700 persons in December 1980. However, an increased average work week per person allowed work input to rise by 0.84 percent during the one month period. The December 1980 service employment estimate represents an increase of 2.8 percent above the December 1979 level. Work input also rose by 4.1 percent during this period. The 1980 average monthly estimate for service industry employment exceeded the 1979 average by 4.1 percent.

Indiana government employment stood at 378,300 in December 1980, a decline of 0.39 percent below the previous month. However, the December 1980 estimate represents a gain of 4.5 percent from the December 1979 level. The 1980 average monthly level of state government employment surpassed the 1979 average by 4.2 percent. No hourly figures are available for Indiana Government Employees.

Agricultural employment reached 116,000 in the final quarter of 1980, an increase of 4.5 percent beyond the third quarter and a gain of 8.4 percent above the forth quarter 1979 level. Family workers comprise 70.7 percent of the fourth quarter 1980 estimate. The remaining 34,000 hired employees represent a gain of 17.2 percent from the previous quarter and a 13.3 percent rise above the fourth quarter 1979 estimate. However, despite recent gains, the 1980 average level of agricultural employment fell 1.7 percent below the 1979 average.

In December 1980 the Hoosier farmer received an 89 cent return on each dollar of agricultural investment. While this level is a 3.3 percent decline from the previous month, it is identical to the December 1979 figure. Estimates for the agriculture parity index have experienced a substantial net gain from May to December 1980. However, despite recent improvements, 1980 levels represent an overall decline from 1979.

Leading Indicators

Four variables are presented as leading indicators of economic activity in the following analysis. Fluctuations in the average work week in manufacturing, the layoff rate in manufacturing, housing starts, and non-agricultural placements generally preceed changes in overall economic conditions. These factors and their probable implications for the future of Indiana's economy will thus comprise the focus of the analysis. Attention will also be devoted to changes in manufacturing production, industrial electricity sales, and raw steel production, as fluctuations in these variables often preceed corresponding changes in general economic activity. However, the latter estimates should not be considered strict leading indicators of economic activity.

The December 1980 estimate of the average work week per person in manufacturing stood at 41.4 hours, a 1.5 percent rise above the previous month and a 1.2 percent increase above the December 1979 figure. Although the average work week in manufacturing has been characterized by modest increases since July, the 1980 estimates have evidenced a small net decline from 1979 levels.

Throughout most of 1980, Indiana's manufacturing layoff rate exceeded the U.S. rate. The Indiana rate stood at two persons per 100 employed, compared with a U.S. rate of 1.7 persons per 100. The Indiana manufacturing layoff rate increased by 0.6 persons from November to December 1980, while the U.S. rate rose by 0.3 persons. Within the state, 1980 manufacturing layoff rates evidenced a substantial net increase above 1979 estimates.

Indiana's construction industry recorded 1,723 housing starts in December 1980. While this level represents a 37.6 percent increase from the December 1979 figure, residential housing starts have sustained a net decline in 1980. The 1979 average monthly estimate surpassed the 1980 average by 38.5 percent. Sharp interest rate increases were a major factor in falling consumer demand for new housing.

Indiana's individual non-agricultural placements stood at 3,600 in December 1980. This estimate represents a 7.7 percent drop from the December 1979 estimate, which reveals increasing difficulty encountered in the individual employment search. While the average monthly level of placements fell from 8.3 in 1979 to approximately 5.2 in 1980, it should be noted that the actual 1980 estimate is thought to be somewhat higher. A data processing malfunction caused Indianapolis placements to be omitted from the October 1980 estimate, thus depressing the 1980 annual average slightly.

Since 30.9 percent of Indiana's non-agricultural employment is comprised of manufacturing workers, manufacturing production is an important consideration. The seasonally adjusted manufacturing production index utilizes 1967 as a base year where 94.2 billion units equals one hundred percent. Thus, an index of 110 would illustrate a period in which production exceeded the 1967 level by ten percent. Indiana's manufacturing production level has experienced modest gains since July 1980, to reach a level of 151.3 in December. This figure represents a gain of 0.39 percent above the previous month's level and a 4.2 percent increase from the December 1979 estimate. However, recent gains have been offset by declines experienced in the first half of 1980. The 1979 average monthly manufacturing production level exceeded the 1980 average by 5.3 percent.

The December 1980 estimate for industrial electricity sales stood at 1.9 billion kilowatt hours. Although this estimate represents a five percent increase from the December 1979 sales volume, it is a 1.1 percent decline from the November 1980 level. A net decrease in industrial electricity sales occured in 1980. The 1980 average monthly estimate fell 7.4 percent below the 1979 average. Although energy conservation efforts may have influenced 1980 estimates, declining manufacturing production probably caused a substantial fall in demand for industrial electricity throughout the past year.

The steel industry provides a major export product and an important source of employment within Indiana's manufacturing sector. Raw steel production declined to 2.05 million tons in December 1980. Although this figure represents a 19.5 percent increase above the December 1979 level, it is a 1.6 percent drop from the November 1980 level. The 1980 average monthly estimate for steel production fell 13.5 percent below the 1979 average.

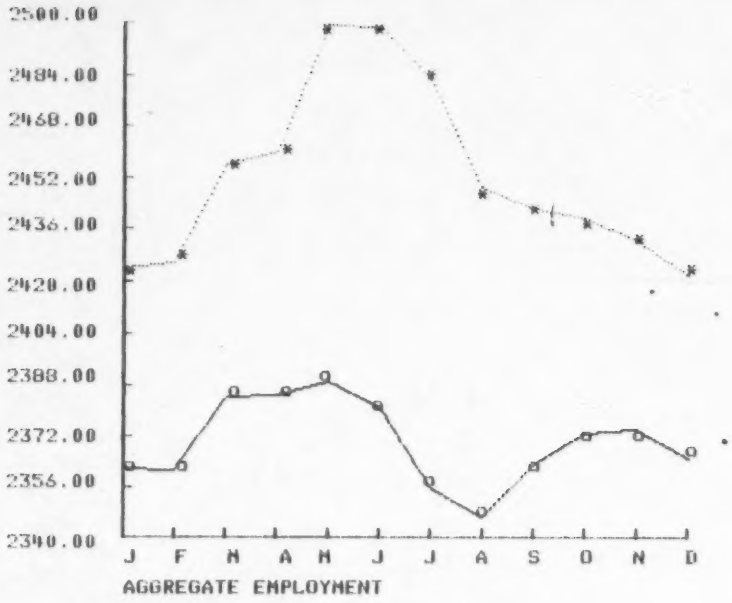
Conclusion

In December 1980, 23.5 percent of Indiana's non-agricultural establishment employees were engaged in durable goods manufacturing. Due to Indiana's relatively high concentration of capital in durable goods industries, the state experiences considerable sensitivity to swings in the nation's business cycle. This feature of the economy has contributed substantially to declines that occured in 1980. However, recent changes in durable goods manufacturing and leading indicators provide some basis for anticipating improvements in 1981. Since July 1980, substantial, though modest, increases have occured in durable goods manufacturing work input, total manufacturing work input, and manufacturing production. During the same period, net improvements were also realized in the average work week in manufacturing and the manufacturing layoff rate.

During the latter half of 1980, rapidly rising interest rates depressed consumer demand for new housing. It is hoped that lower interest rates in the second and third quarters of 1981 will stimulate the residential construction industry in Indiana.

Indiana's strength in nonmanufacturing sectors has helped the economy to maintain stability in 1980. This feature is reflected in a modest employment gain in nonmanufacturing industries from December 1979 to December 1980.

While a dramatic economic recovery is not anticipated for 1981, a gradual pattern of increased production may emerge. It is hoped that greater demand for new homes and other durable goods will contribute to higher levels of employment and economic growth in the ensuing year.



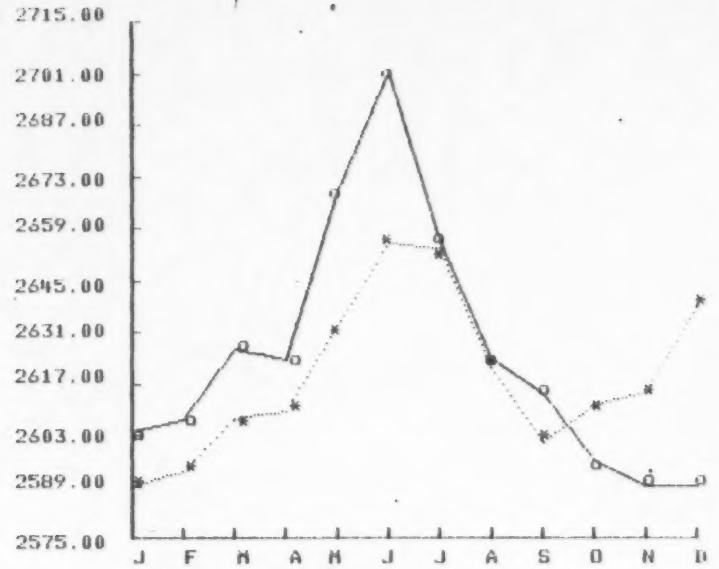
AGGREGATE EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	2423.40	2361.50	(2.55)
FEBRUARY	2425.20	2361.10	(2.64)
MARCH	2455.30	2383.90	(2.91)
APRIL	2459.40	2384.40	(3.05)
MAY	2498.90	2388.30	(4.43)
JUNE	2498.20	2380.40	(4.72)
JULY	2482.00	2355.50	(5.10)
AUGUST	2447.70	2346.50	(4.13)
SEPTEMBER	2441.40	2362.70	(3.22)
OCTOBER	2438.80	2372.20	(2.73)
NOVEMBER	2431.50	2373.40	(2.39)
DECEMBER	2421.30	2364.40	(2.35)
TOTAL AVE.	2451.93	2369.53	(3.36)

**THOUSANDS

PREPARED FEBRUARY 1981



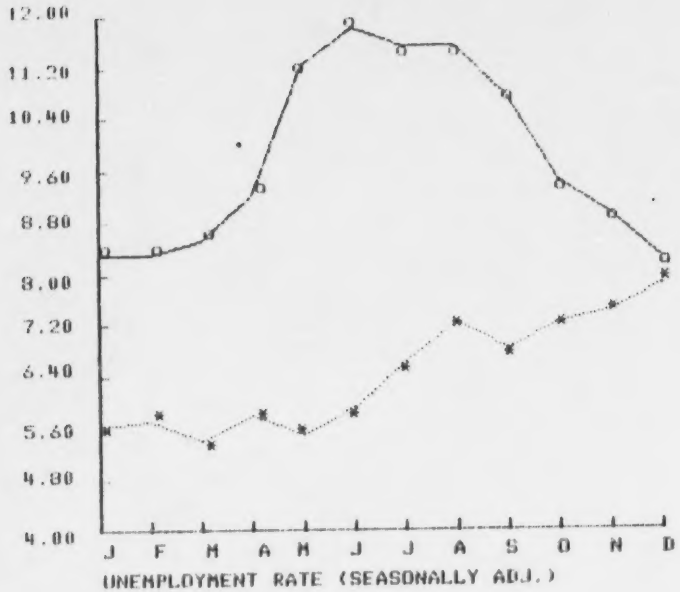
CIVILIAN LABOR FORCE

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	2588.80	2603.70	.58
FEBRUARY	2592.80	2606.80	.54
MARCH	2607.50	2625.90	.71
APRIL	2609.10	2623.30	.54
MAY	2632.40	2667.70	1.34
JUNE	2654.50	2701.10	1.76
JULY	2653.40	2655.20	.07
AUGUST	2620.80	2623.50	.10
SEPTEMBER	2600.60	2613.80	.51
OCTOBER	2610.90	2595.50	(.59)
NOVEMBER	2614.40	2589.00	(.97)
DECEMBER	2638.10	2588.90	(1.86)
TOTAL AVE.	2618.61	2624.53	.23

**THOUSANDS

PREPARED FEBRUARY 1981



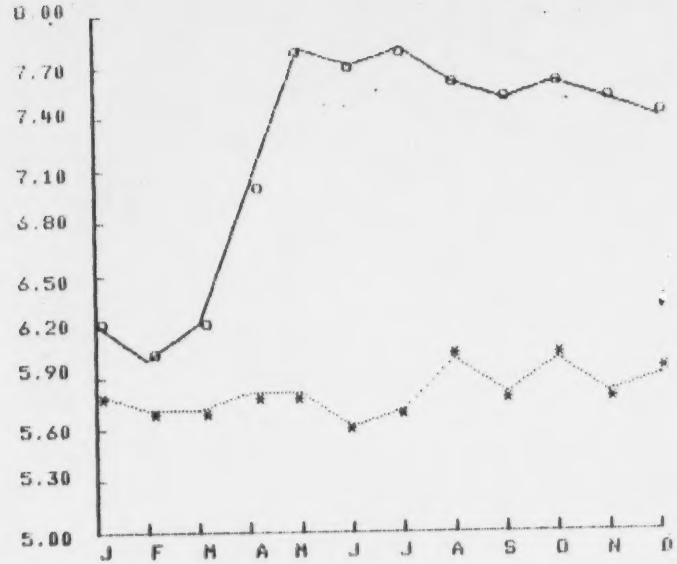
UNEMPLOYMENT RATE (SEASONALLY ADJ.)

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	5.60	8.30	48.21
FEBRUARY	5.70	8.30	45.61
MARCH	5.40	8.50	57.41
APRIL	5.80	9.20	58.62
MAY	5.50	11.20	103.64
JUNE	5.90	11.80	100.00
JULY	6.60	11.50	74.24
AUGUST	7.20	11.50	59.72
SEPTEMBER	6.80	10.70	57.35
OCTOBER	7.20	9.40	30.56
NOVEMBER	7.40	8.90	20.27
DECEMBER	7.80	8.20	5.13

**PERCENT

PREPARED FEBRUARY 1981



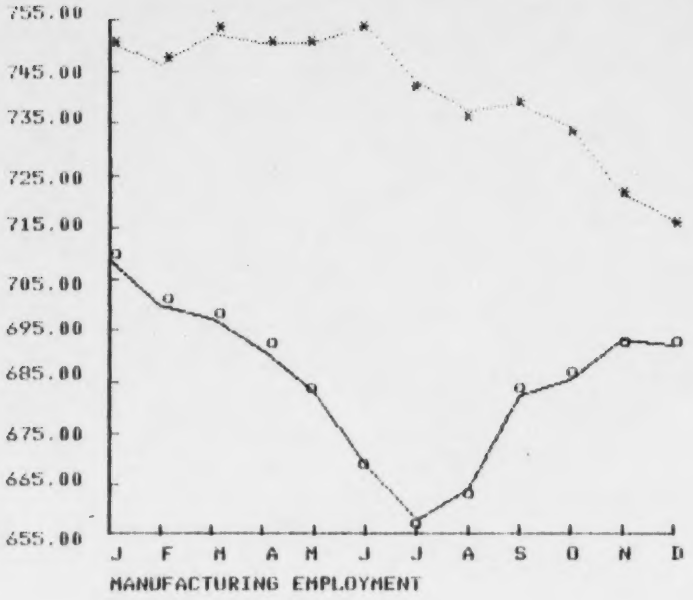
U.S. UNEMPLOYMENT RATE
(SEASONALLY ADJ.)

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	5.80	6.20	6.90
FEBRUARY	5.70	6.00	5.26
MARCH	5.70	6.20	8.77
APRIL	5.80	7.00	20.69
MAY	5.80	7.80	34.48
JUNE	5.60	7.70	37.50
JULY	5.70	7.80	36.84
AUGUST	6.00	7.60	26.67
SEPTEMBER	5.80	7.50	29.31
OCTOBER	6.00	7.60	26.67
NOVEMBER	5.80	7.50	29.31
DECEMBER	5.90	7.40	25.42

**PERCENT

PREPARED FEBRUARY 1981



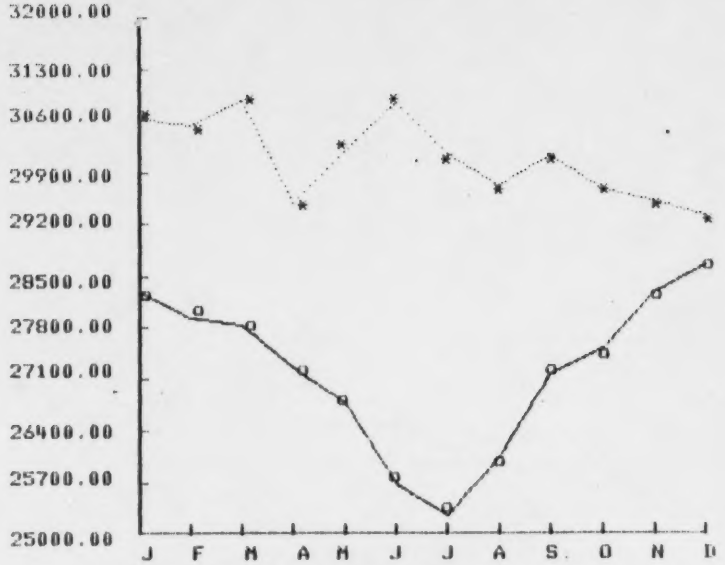
MANUFACTURING EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	o/oΔ
JANUARY	750.60	708.80	(5.57)
FEBRUARY	746.10	699.40	(6.26)
MARCH	752.10	696.90	(7.34)
APRIL	750.00	690.90	(7.88)
MAY	750.30	682.70	(9.01)
JUNE	753.50	668.70	(11.25)
JULY	742.40	658.10	(11.36)
AUGUST	737.00	663.80	(9.93)
SEPTEMBER	738.10	682.10	(7.59)
OCTOBER	733.80	685.00	(6.65)
NOVEMBER	720.90	692.50	(3.94)
DECEMBER	716.00	691.60	(3.41)
TOTAL AVE.	740.90	685.04	(7.54)

**THOUSANDS

PREPARED FEBRUARY 1981



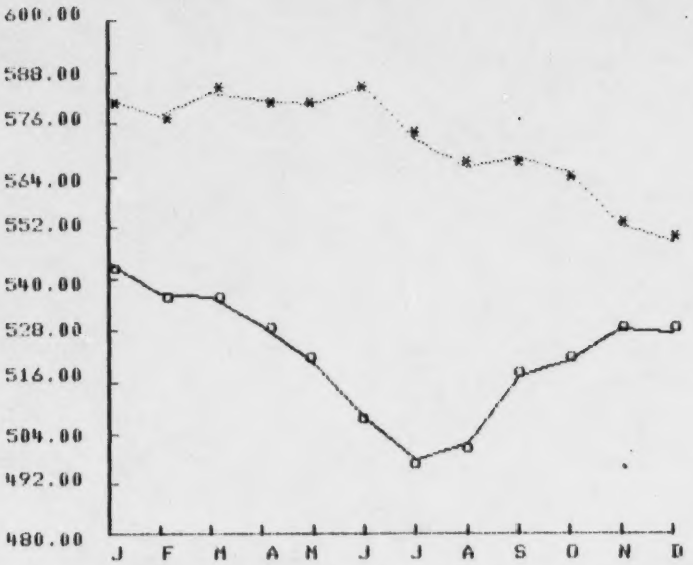
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MANUFACTURING

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	o/oΔ
JANUARY	30624.48	28281.12	(7.65)
FEBRUARY	30515.49	27906.06	(8.55)
MARCH	30836.10	27806.31	(9.83)
APRIL	29475.00	27221.46	(7.65)
MAY	30162.06	26761.84	(11.27)
JUNE	30818.15	25678.10	(16.68)
JULY	30141.44	25271.04	(16.16)
AUGUST	29701.10	26020.96	(12.39)
SEPTEMBER	30114.48	27147.58	(9.85)
OCTOBER	29645.52	27468.50	(7.34)
NOVEMBER	29484.81	28254.00	(4.17)
DECEMBER	29284.40	28632.24	(2.23)
TOTAL AVE.	30066.92	27204.10	(9.52)

**THOUSANDS

PREPARED FEBRUARY 1981



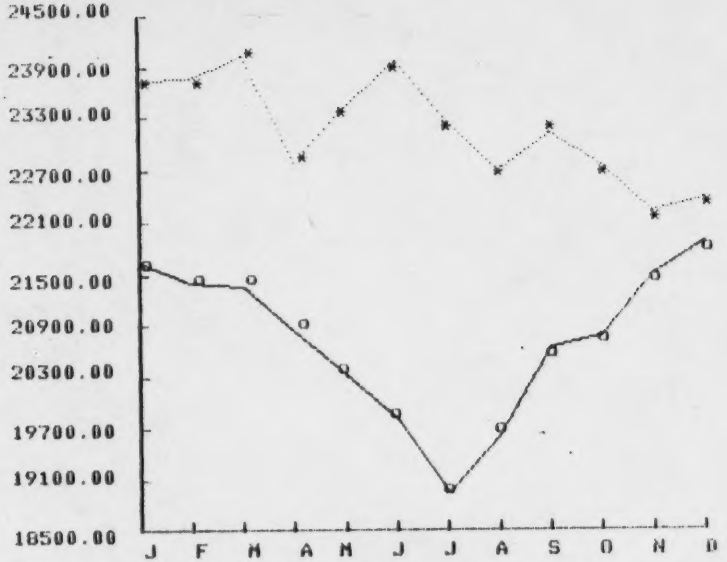
MANUFACTURING OF DURABLE GOODS
EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	581.50	543.40	(6.55)
FEBRUARY	577.60	536.00	(7.20)
MARCH	583.00	535.00	(8.23)
APRIL	581.00	528.60	(9.02)
MAY	580.40	519.90	(10.42)
JUNE	584.30	507.40	(13.16)
JULY	571.90	497.50	(13.01)
AUGUST	565.20	501.20	(11.32)
SEPTEMBER	567.40	517.00	(8.88)
OCTOBER	564.10	520.50	(7.73)
NOVEMBER	552.00	527.70	(4.40)
DECEMBER	548.00	526.70	(3.89)
TOTAL AVE.	571.37	521.74	(8.69)

**THOUSANDS

PREPARED FEBRUARY 1981



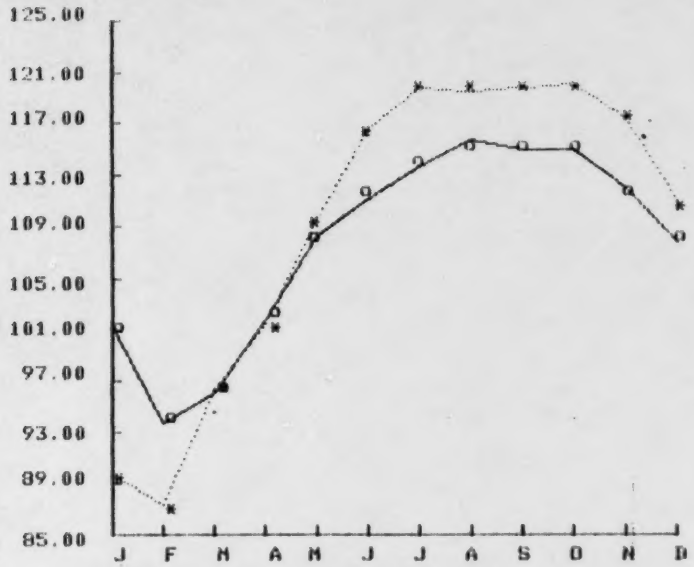
AVERAGE PEOPLE HOURS PER WORK WEEK
IN DURABLE GOODS MANUFACTURING

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	23725.20	21627.32	(8.84)
FEBRUARY	23739.36	21386.40	(9.91)
MARCH	24019.60	21346.50	(11.13)
APRIL	22775.20	20826.84	(8.55)
MAY	23390.12	20328.09	(13.09)
JUNE	23956.36	19788.60	(17.40)
JULY	23219.14	18954.75	(18.37)
AUGUST	22664.52	19596.92	(13.53)
SEPTEMBER	23093.18	20628.30	(10.67)
OCTOBER	22733.23	20767.95	(8.64)
NOVEMBER	22190.40	21477.39	(3.21)
DECEMBER	22358.40	21858.05	(2.24)
TOTAL AVE.	23155.39	20715.59	(10.54)

**THOUSAND HOURS

PREPARED FEBRUARY 1981



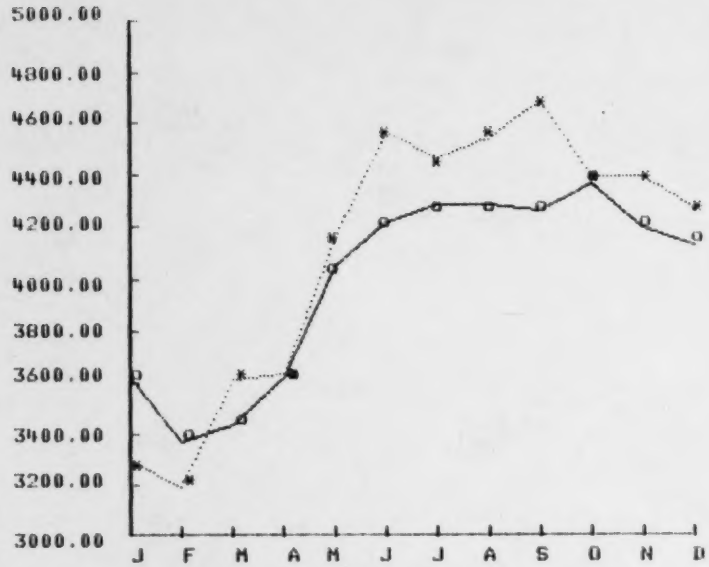
CONSTRUCTION EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	89.70	101.20	12.82
FEBRUARY	87.40	93.70	7.21
MARCH	96.20	95.90	(.31)
APRIL	101.40	101.60	.20
MAY	109.40	108.10	(1.19)
JUNE	116.30	110.90	(4.64)
JULY	119.50	113.50	(5.02)
AUGUST	119.30	115.50	(3.19)
SEPTEMBER	119.60	114.70	(4.10)
OCTOBER	119.90	114.70	(4.34)
NOVEMBER	117.20	111.80	(4.61)
DECEMBER	110.80	107.60	(2.89)
TOTAL AVE.	108.89	107.43	(1.34)

**THOUSANDS

PREPARED FEBRUARY 1981



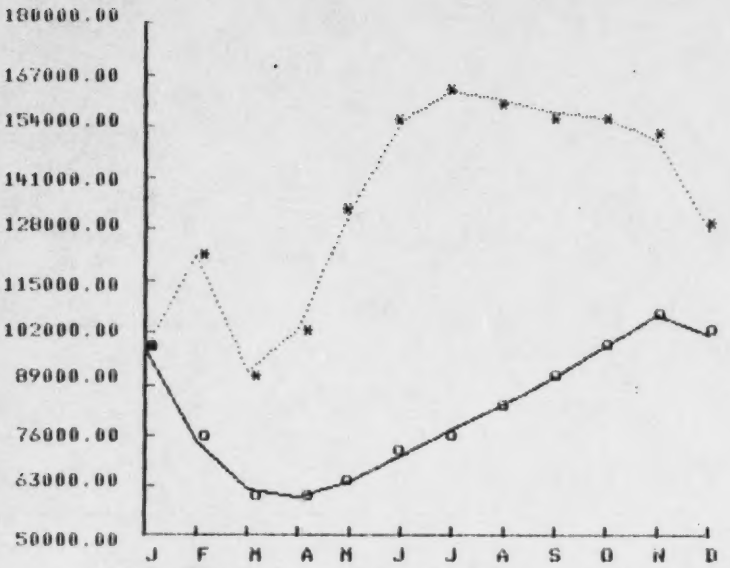
AVERAGE PEOPLE HOURS PER WORK WEEK
IN CONSTRUCTION

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	3292.00	3623.00	10.05
FEBRUARY	3190.10	3363.80	5.44
MARCH	3607.50	3433.20	(4.83)
APRIL	3630.10	3617.00	(.36)
MAY	4146.30	4042.90	(2.49)
JUNE	4559.00	4214.20	(7.56)
JULY	4457.40	4278.90	(4.00)
AUGUST	4533.40	4273.50	(5.73)
SEPTEMBER	4676.40	4255.40	(9.00)
OCTOBER	4388.30	4358.60	(.68)
NOVEMBER	4383.30	4192.50	(4.35)
DECEMBER	4265.80	4121.10	(3.39)
TOTAL AVE.	4094.13	3981.18	(2.76)

**THOUSANDS

PREPARED FEBRUARY 1981



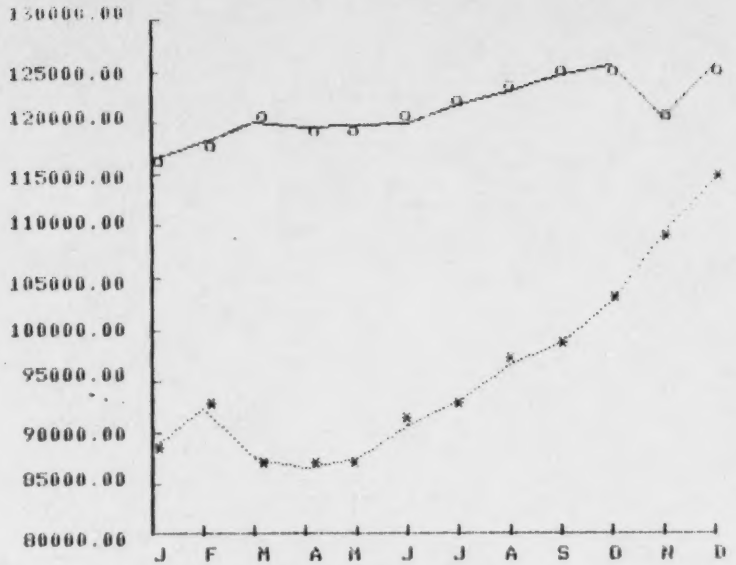
EXPENDITURES FOR RESIDENTIAL CONSTRUCTION

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	97597.00	97300.00	(.30)
FEBRUARY	120756.00	74100.00	(38.64)
MARCH	91701.00	62000.00	(32.39)
APRIL	102469.50	60000.00	(41.45)
MAY	131507.00	63900.00	(51.41)
JUNE	154808.00	70600.00	(54.40)
JULY	162188.00	77000.00	(52.52)
AUGUST	159984.40	83200.00	(47.99)
SEPTEMBER	156703.10	90300.00	(42.38)
OCTOBER	155463.70	98100.00	(36.90)
NOVEMBER	149439.10	105500.00	(29.40)
DECEMBER	126774.00	100700.00	(20.57)
TOTAL AVE.	134115.90	81891.67	(38.94)

**THOUSAND $

PREPARED FEBRUARY 1981



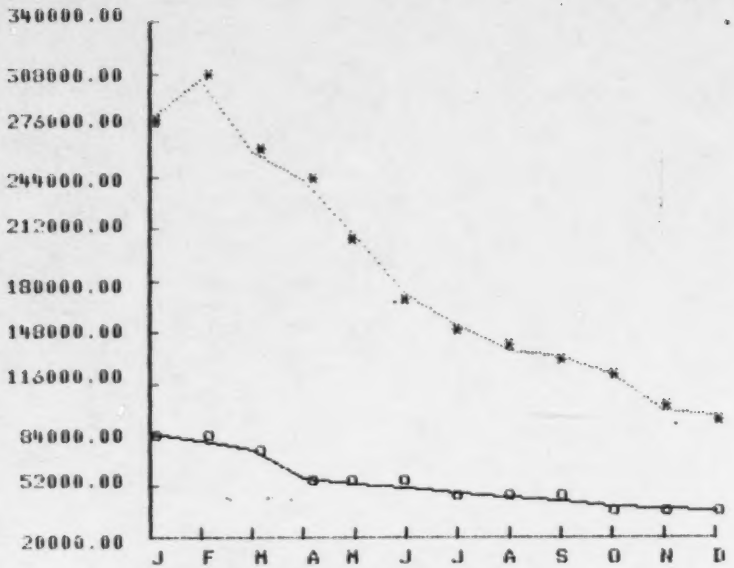
EXPENDITURES FOR NON-RESIDENTIAL CONSTRUCTION

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	88383.10	116300.00	31.59
FEBRUARY	92186.60	118000.00	28.00
MARCH	87420.20	120000.00	37.27
APRIL	86461.40	119300.00	37.98
MAY	87379.10	119500.00	36.76
JUNE	90682.40	119700.00	32.00
JULY	92971.40	121600.00	30.79
AUGUST	96470.30	122800.00	27.29
SEPTEMBER	98664.80	124500.00	26.18
OCTOBER	102707.50	125400.00	22.09
NOVEMBER	108969.70	120324.40	10.42
DECEMBER	114216.20	125300.00	9.70
TOTAL AVE.	95542.73	121060.37	26.71

**THOUSAND $

PREPARED FEBRUARY 1981



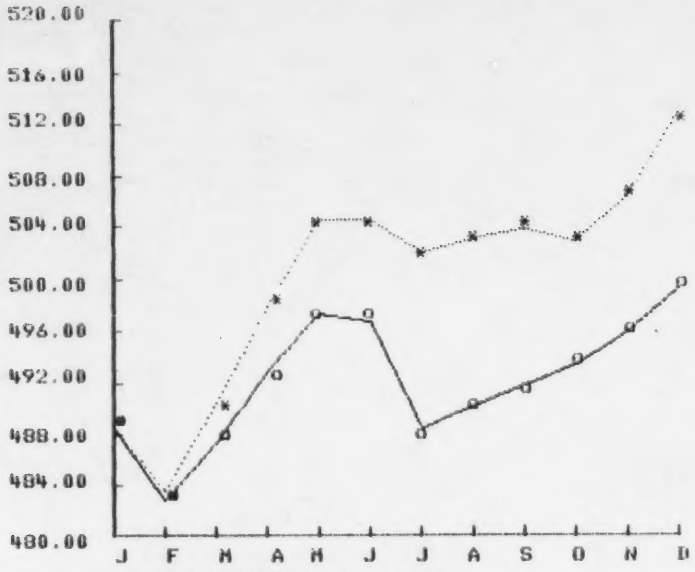
EXPENDITURES FOR PUBLIC WORKS AND
UTILITIES FACILITIES

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	278895.00	84200.00	(69.81)
FEBRUARY	303407.00	79700.00	(73.73)
MARCH	257635.00	73700.00	(71.39)
APRIL	240437.40	56300.00	(76.58)
MAY	207178.00	53300.00	(74.27)
JUNE	169373.00	50600.00	(70.13)
JULY	150997.00	47600.00	(68.48)
AUGUST	135466.90	44600.00	(67.08)
SEPTEMBER	131436.10	42600.00	(67.59)
OCTOBER	120315.00	39400.00	(67.25)
NOVEMBER	98753.70	38100.00	(61.42)
DECEMBER	94667.90	37100.00	(60.81)
TOTAL AVE.	182380.17	53933.33	(70.43)

**THOUSAND $

PREPARED FEBRUARY 1981



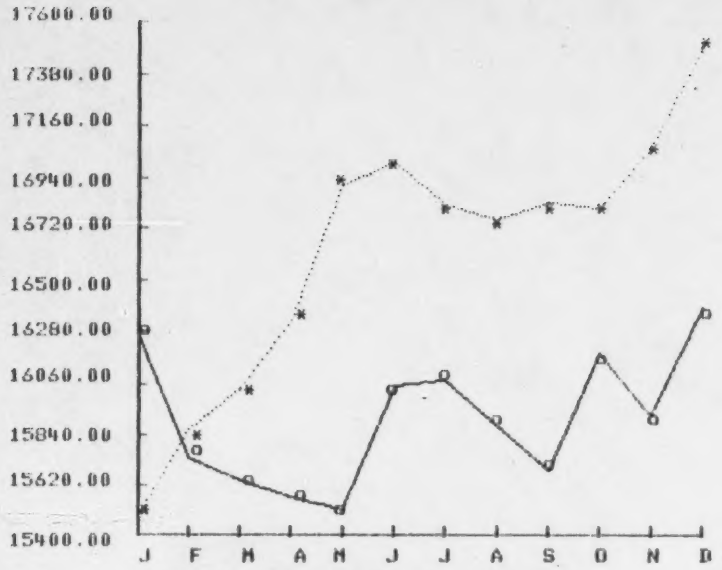
WHOLESALE AND RETAIL TRADE
EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	488.50	488.50	0.00
FEBRUARY	483.60	482.80	(.17)
MARCH	490.40	487.40	(.61)
APRIL	497.80	492.80	(1.00)
MAY	504.40	497.20	(1.43)
JUNE	504.30	496.70	(1.51)
JULY	501.90	488.40	(2.69)
AUGUST	502.90	490.10	(2.55)
SEPTEMBER	503.60	491.70	(2.36)
OCTOBER	502.80	493.30	(1.89)
NOVEMBER	506.10	495.80	(2.04)
DECEMBER	512.60	499.20	(2.61)
TOTAL AVE.	499.91	491.99	(1.58)

**THOUSANDS

PREPARED FEBRUARY 1981



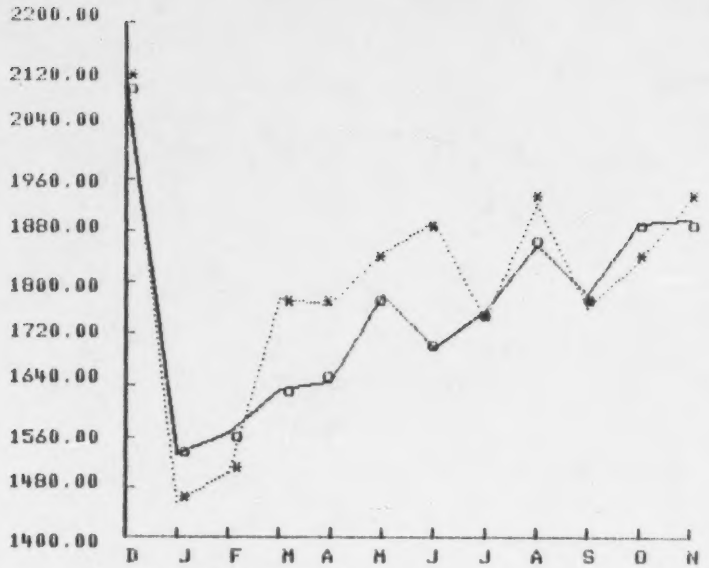
AVERAGE PEOPLE HOURS PER WORK WEEK
IN WHOLESALE AND RETAIL TRADE

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	°/°Δ
JANUARY	15485.50	16267.00	5.05
FEBRUARY	15862.10	15739.30	(.77)
MARCH	16036.10	15645.50	(2.44)
APRIL	16327.40	15572.50	(4.62)
MAY	16897.40	15512.60	(8.20)
JUNE	16994.90	16043.40	(5.60)
JULY	16813.70	16068.40	(4.43)
AUGUST	16746.60	15879.20	(5.18)
SEPTEMBER	16820.20	15685.20	(6.75)
OCTOBER	16793.50	16180.20	(3.65)
NOVEMBER	17055.60	15915.20	(6.69)
DECEMBER	17479.70	16373.80	(6.33)
TOTAL AVE.	16609.39	15906.86	(4.23)

**THOUSAND

PREPARED FEBRUARY 1981



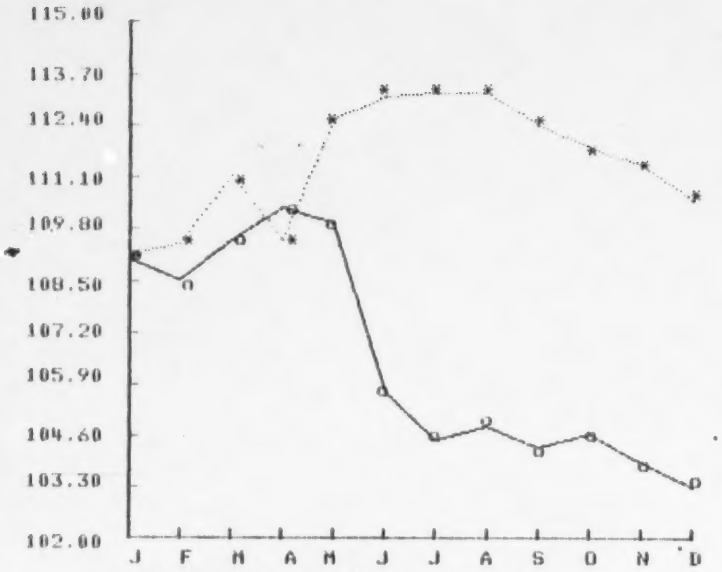
TOTAL RETAIL SALES

* : 1978-79
o : 1979-80

MONTH	DATA VALUE **		
	1978-1979	1979-1980	°/°Δ
DECEMBER	2119.00	2100.00	(.90)
JANUARY	1457.00	1532.00	5.15
FEBRUARY	1504.00	1565.00	4.06
MARCH	1771.00	1630.00	(7.96)
APRIL	1763.00	1644.00	(6.75)
MAY	1843.00	1777.00	(3.58)
JUNE	1891.00	1694.00	(10.42)
JULY	1738.00	1751.00	.75
AUGUST	1919.00	1855.00	(3.34)
SEPTEMBER	1755.00	1777.00	1.25
OCTOBER	1829.00	1888.00	3.23
NOVEMBER	1925.00	1893.00	(1.66)
TOTAL AVE.	1792.83	1758.83	(1.90)

**MILLION $

PREPARED FEBRUARY 1981



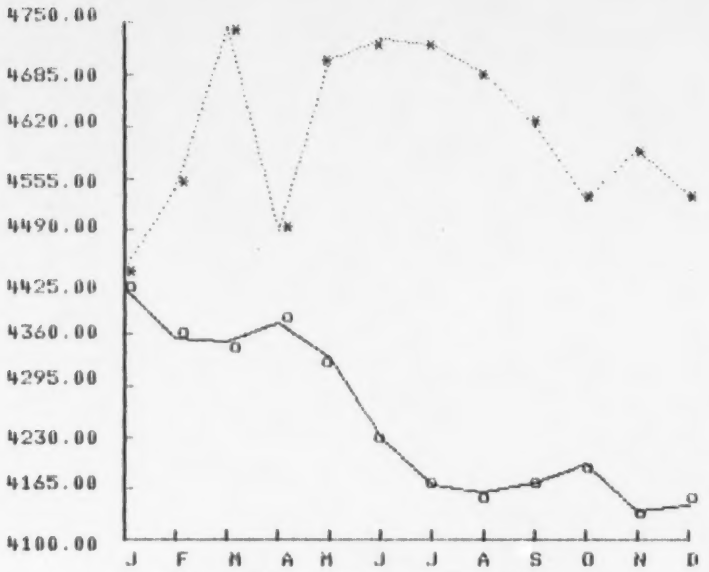
TRANSPORTATION, COMMUNICATION, AND
UTILITIES EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/oΔ
JANUARY	109.10	109.00	(.09)
FEBRUARY	109.40	108.50	(.82)
MARCH	111.10	109.50	(1.44)
APRIL	109.50	110.30	.73
MAY	112.50	109.90	(2.31)
JUNE	113.10	105.70	(6.54)
JULY	113.20	104.50	(7.69)
AUGUST	113.20	104.80	(7.42)
SEPTEMBER	112.40	104.30	(7.21)
OCTOBER	111.80	104.60	(6.44)
NOVEMBER	111.40	103.90	(6.73)
DECEMBER	110.50	103.30	(6.52)
TOTAL AVE.	111.43	106.53	(4.40)

**THOUSANDS

PREPARED FEBRUARY 1981



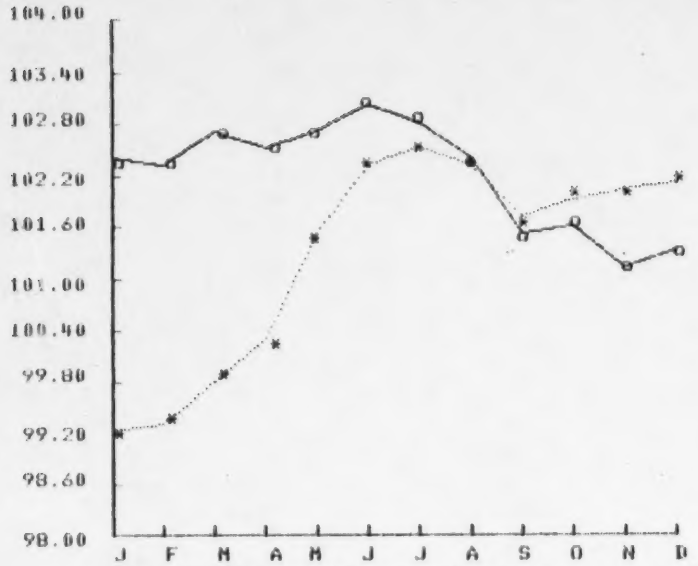
AVERAGE PEOPLE HOURS PER WORK WEEK
IN TRANSPORTATION COMMUNICATION, EMP

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/oΔ
JANUARY	4440.40	4416.70	(.53)
FEBRUARY	4540.10	4353.00	(4.12)
MARCH	4741.80	4349.30	(8.28)
APRIL	4489.50	4372.30	(2.61)
MAY	4702.50	4330.10	(7.92)
JUNE	4727.60	4228.00	(10.57)
JULY	4720.40	4169.50	(11.67)
AUGUST	4686.50	4160.60	(11.22)
SEPTEMBER	4619.60	4172.00	(9.69)
OCTOBER	4527.90	4194.50	(7.36)
NOVEMBER	4589.70	4135.20	(9.90)
DECEMBER	4530.50	4142.30	(8.57)
TOTAL AVE.	4609.71	4251.96	(7.76)

**THOUSANDS OF HOURS

PREPARED FEBRUARY 1981



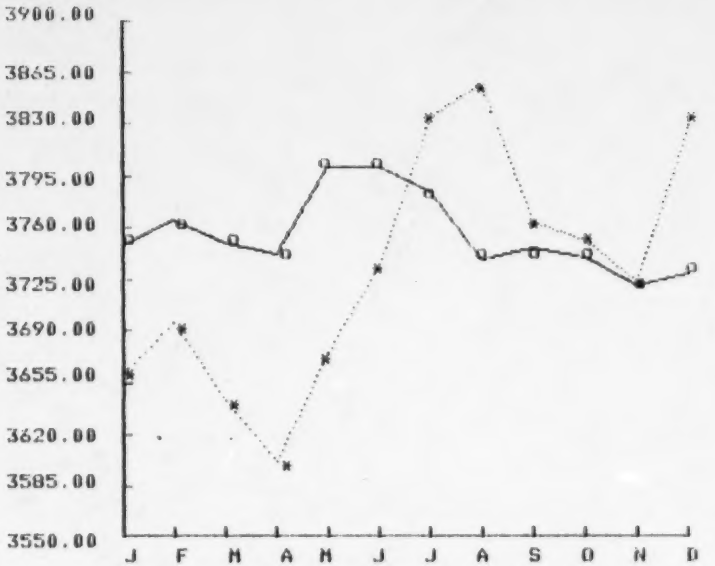
FINANCE, INSURANCE, AND REAL ESTATE
EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	99.20	102.40	3.23
FEBRUARY	99.30	102.30	3.02
MARCH	99.80	102.70	2.91
APRIL	100.30	102.50	2.19
MAY	101.50	102.70	1.18
JUNE	102.30	103.00	.68
JULY	102.50	102.80	.29
AUGUST	102.30	102.40	.10
SEPTEMBER	101.70	101.50	(.20)
OCTOBER	101.90	101.60	(.29)
NOVEMBER	102.00	101.10	(.88)
DECEMBER	102.10	101.30	(.78)
TOTAL AVE.	101.24	102.19	.94

**THOUSANDS

PREPARED FEBRUARY 1981



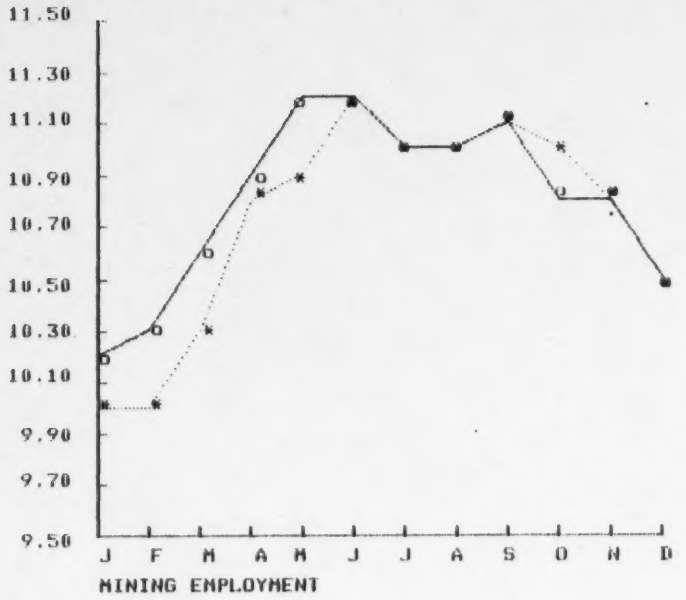
AVERAGE PEOPLE HOURS PER WORK WEEK
IN FINANCE, INSURANCE, REAL ESTATE

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	3660.50	3747.80	2.38
FEBRUARY	3694.00	3764.60	1.91
MARCH	3642.70	3748.60	2.91
APRIL	3600.80	3741.30	3.90
MAY	3674.30	3799.90	3.42
JUNE	3734.00	3800.70	1.79
JULY	3833.50	3783.00	(1.32)
AUGUST	3856.70	3737.60	(3.09)
SEPTEMBER	3762.90	3745.30	(.47)
OCTOBER	3749.90	3738.90	(.29)
NOVEMBER	3723.00	3720.50	(.07)
DECEMBER	3828.80	3727.80	(2.64)
TOTAL AVE.	3730.09	3754.67	.66

**THOUSAND HOURS

PREPARED FEBRUARY 1981



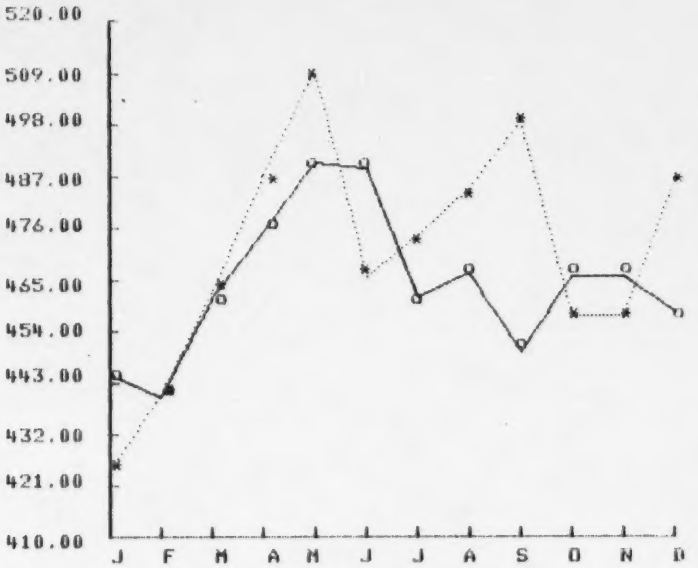
MINING EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/oΔ
JANUARY	10.00	10.20	2.00
FEBRUARY	10.00	10.30	3.00
MARCH	10.30	10.60	2.91
APRIL	10.80	10.90	.93
MAY	10.90	11.20	2.75
JUNE	11.20	11.20	0.00
JULY	11.00	11.00	0.00
AUGUST	11.00	11.00	0.00
SEPTEMBER	11.10	11.10	0.00
OCTOBER	11.00	10.80	(1.82)
NOVEMBER	10.80	10.80	0.00
DECEMBER	10.50	10.50	0.00
TOTAL AVE.	10.72	10.80	.78

**THOUSANDS

PREPARED FEBRUARY 1981



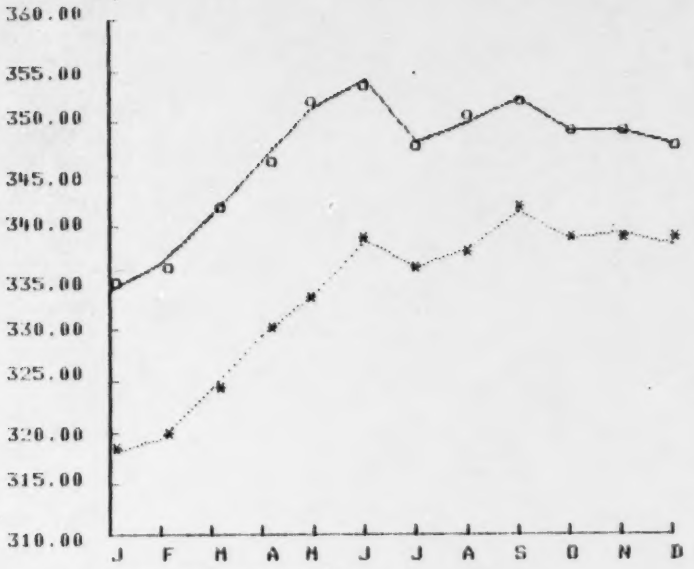
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MINING

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/oΔ
JANUARY	424.00	444.70	4.88
FEBRUARY	440.00	439.80	(.05)
MARCH	462.50	461.10	(.30)
APRIL	487.20	475.20	(2.46)
MAY	509.60	489.40	(3.96)
JUNE	465.30	488.30	4.94
JULY	474.10	460.90	(2.78)
AUGUST	484.00	466.40	(3.64)
SEPTEMBER	498.30	449.50	(9.79)
OCTOBER	456.80	465.50	1.90
NOVEMBER	456.80	465.50	1.90
DECEMBER	486.20	457.80	(5.84)
TOTAL AVE.	470.40	463.68	(1.43)

**THOUSAND HOURS

PREPARED FEBRUARY 1981



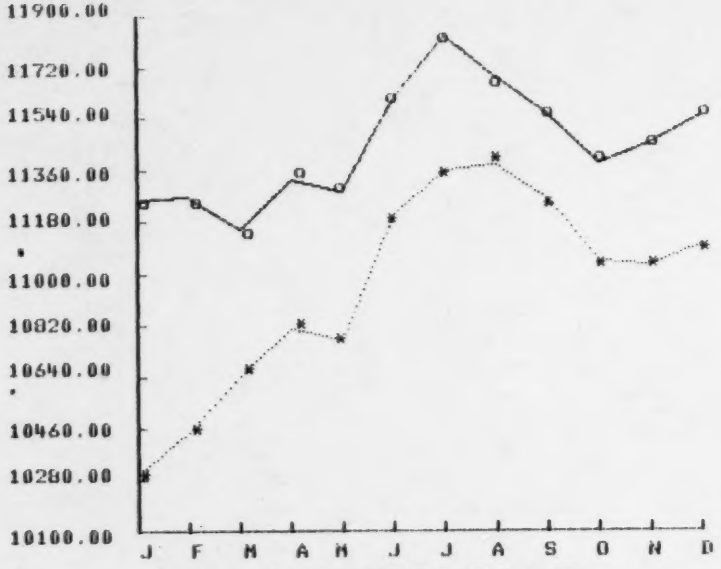
SERVICES EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	317.90	333.80	5.00
FEBRUARY	319.40	336.20	5.26
MARCH	324.30	341.00	5.15
APRIL	329.40	346.30	5.13
MAY	333.20	351.40	5.46
JUNE	338.50	354.00	4.58
JULY	336.00	347.90	3.54
AUGUST	337.50	349.70	3.61
SEPTEMBER	341.10	352.10	3.22
OCTOBER	338.60	349.00	3.07
NOVEMBER	339.20	349.00	2.89
DECEMBER	338.10	347.70	2.84
TOTAL AVE.	332.77	346.51	4.13

**THOUSANDS

PREPARED FEBRUARY 1981



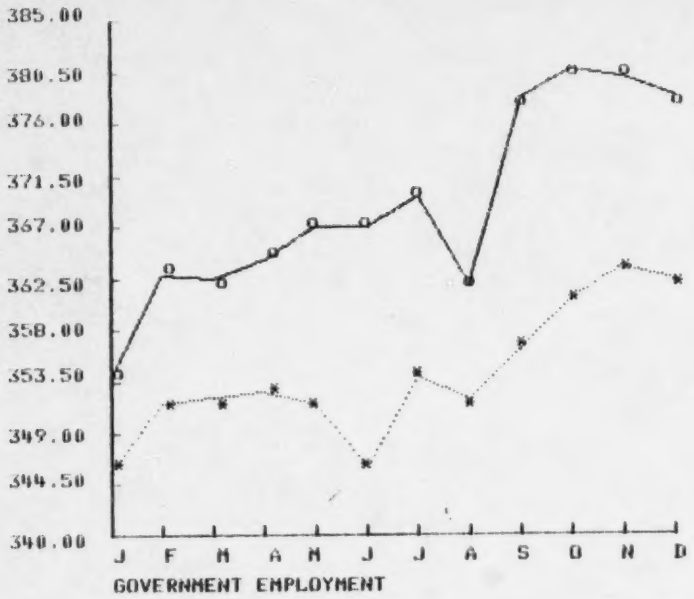
AVERAGE PEOPLE HOURS PER WORK WEEK
IN SERVICES

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	10300.00	11249.10	9.21
FEBRUARY	10444.40	11262.70	7.83
MARCH	10637.00	11150.70	4.83
APRIL	10804.30	11324.00	4.81
MAY	10762.40	11279.90	4.81
JUNE	11204.40	11611.20	3.63
JULY	11356.80	11828.60	4.15
AUGUST	11373.80	11680.00	2.69
SEPTEMBER	11256.30	11548.90	2.60
OCTOBER	11038.40	11377.40	3.07
NOVEMBER	11024.00	11447.20	3.84
DECEMBER	11089.70	11543.60	4.09
TOTAL AVE.	10940.96	11441.94	4.58

**THOUSANDS HOURS

PREPARED FEBRUARY 1981



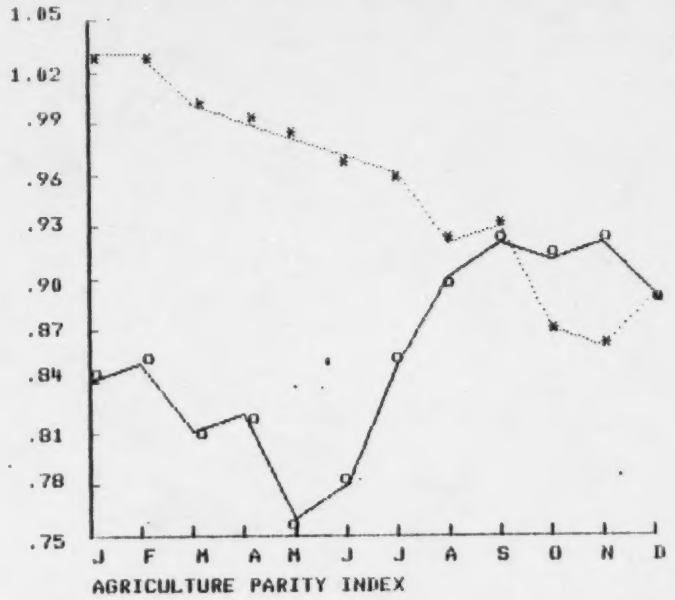
GOVERNMENT EMPLOYMENT

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	345.70	353.80	2.34
FEBRUARY	351.60	362.70	3.16
MARCH	352.00	362.40	2.95
APRIL	352.50	363.90	3.23
MAY	351.40	367.00	4.44
JUNE	346.00	366.90	6.04
JULY	353.90	369.50	4.41
AUGUST	351.90	361.90	2.84
SEPTEMBER	356.20	378.10	6.15
OCTOBER	360.60	380.60	5.55
NOVEMBER	363.40	379.80	4.51
DECEMBER	362.10	378.30	4.47
TOTAL AVE.	353.94	368.74	4.18

**THOUSANDS

PREPARED FEBRUARY 1981



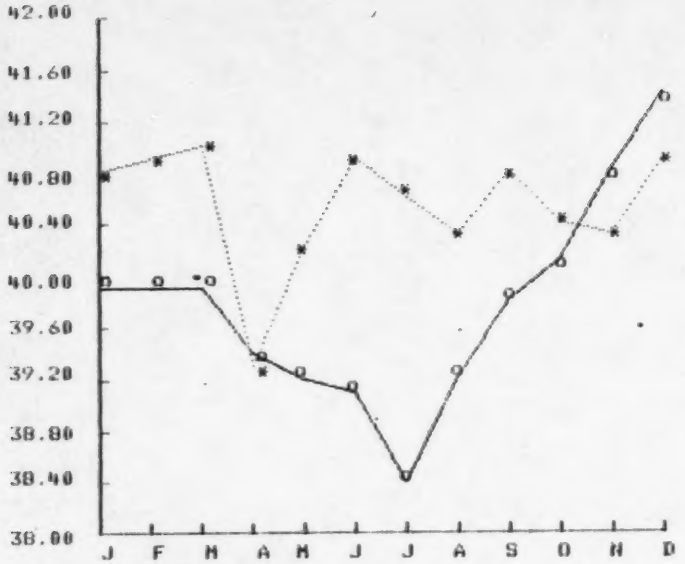
AGRICULTURE PARITY INDEX

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	*/*Δ
JANUARY	1.03	.84	(18.45)
FEBRUARY	1.03	.85	(17.48)
MARCH	1.00	.81	(19.00)
APRIL	.99	.82	(17.17)
MAY	.98	.76	(22.45)
JUNE	.97	.78	(19.59)
JULY	.96	.85	(11.46)
AUGUST	.92	.90	(2.17)
SEPTEMBER	.93	.92	(1.08)
OCTOBER	.87	.91	4.60
NOVEMBER	.86	.92	6.98
DECEMBER	.89	.89	0.00

**$ RECVD PER $ PAID

PREPARED FEBRUARY 1981



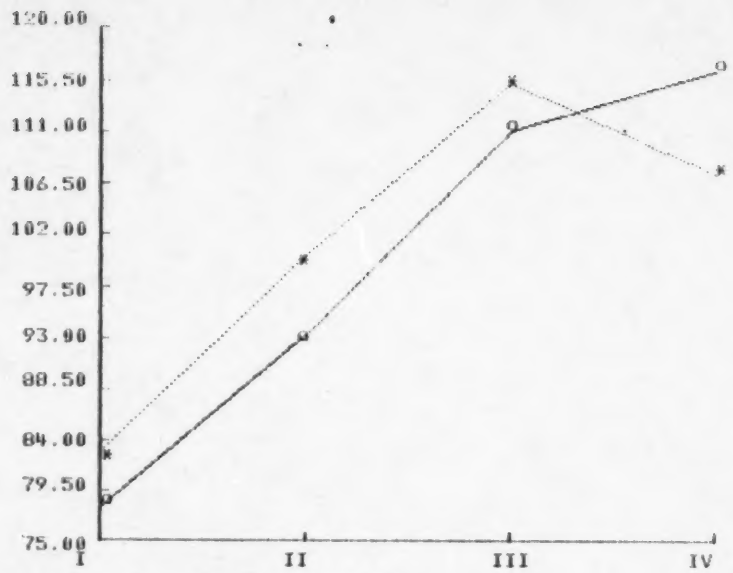
AVERAGE WORK WEEK IN MANUFACTURING

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	40.80	39.90	(2.21)
FEBRUARY	40.90	39.90	(2.44)
MARCH	41.00	39.90	(2.68)
APRIL	39.30	39.40	.25
MAY	40.20	39.20	(2.49)
JUNE	40.90	39.10	(4.40)
JULY	40.60	38.40	(5.42)
AUGUST	40.30	39.20	(2.73)
SEPTEMBER	40.80	39.80	(2.45)
OCTOBER	40.40	40.10	(.74)
NOVEMBER	40.30	40.80	1.24
DECEMBER	40.90	41.40	1.22

**HOURS

PREPARED FEBRUARY 1981



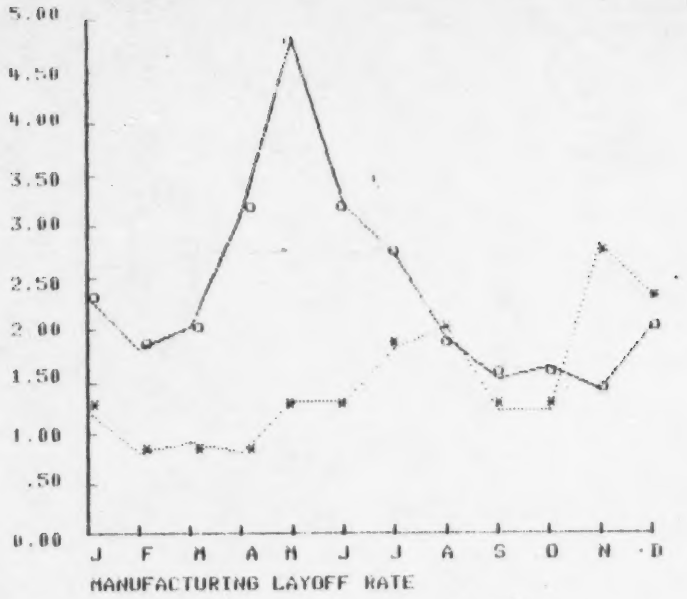
AGRICULTURAL EMPLOYMENT

* : 1979
o : 1980

QUARTER	DATA VALUE **		
	1979	1980	+/-Δ
I	83.00	78.00	(6.02)
II	100.00	93.00	(7.00)
III	115.00	111.00	(3.48)
IV	107.00	116.00	8.41
TOTAL AVE.	101.25	99.50	(1.73)

**THOUSANDS

PREPARED FEBRUARY 1981



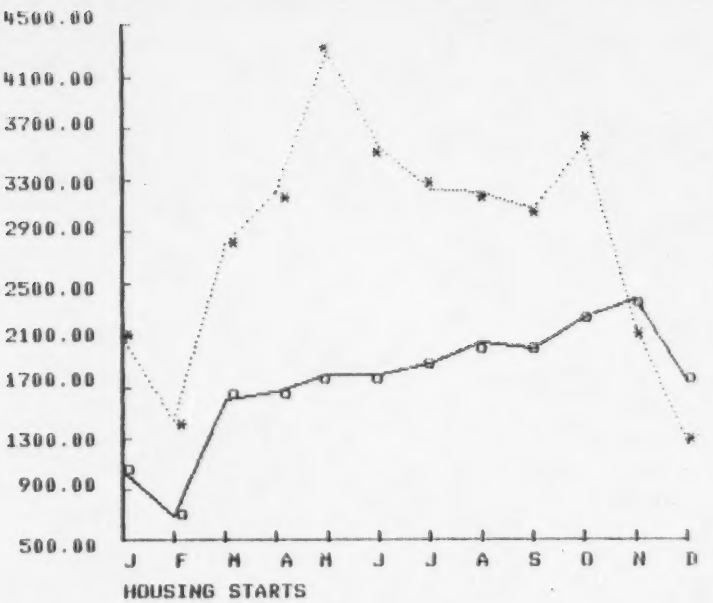
MANUFACTURING LAYOFF RATE

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	1.20	2.30	91.67
FEBRUARY	.80	1.80	125.00
MARCH	.90	2.00	122.22
APRIL	.80	3.10	287.50
MAY	1.30	4.80	269.23
JUNE	1.30	3.20	146.15
JULY	1.80	2.70	50.00
AUGUST	2.00	1.90	(5.00)
SEPTEMBER	1.20	1.50	25.00
OCTOBER	1.20	1.60	33.33
NOVEMBER	2.80	1.40	(50.00)
DECEMBER	2.30	2.00	(13.04)

**PER 100 WORKERS

PREPARED FEBRUARY 1981



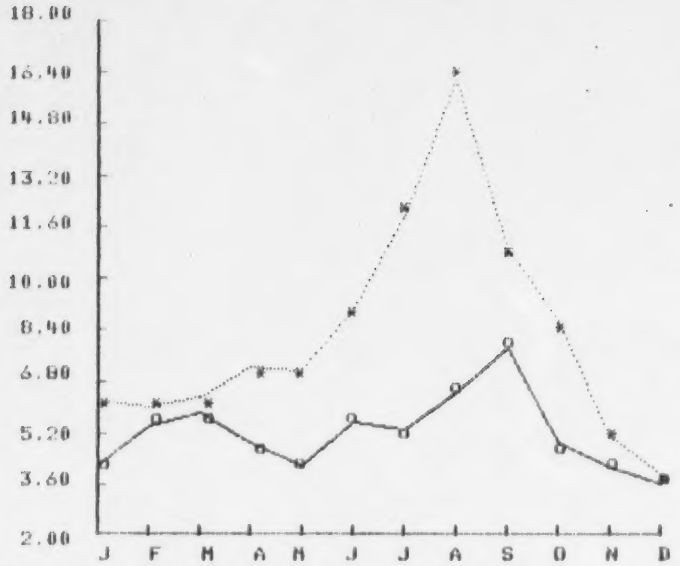
HOUSING STARTS

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	2098.00	1048.00	(50.05)
FEBRUARY	1443.00	695.00	(51.84)
MARCH	2796.00	1592.00	(43.06)
APRIL	3202.00	1655.00	(48.31)
MAY	4280.00	1786.00	(58.27)
JUNE	3554.00	1781.00	(49.89)
JULY	3215.00	1870.00	(41.84)
AUGUST	3191.00	2032.00	(36.32)
SEPTEMBER	3054.00	1993.00	(34.74)
OCTOBER	3561.00	2229.00	(37.41)
NOVEMBER	2153.00	2374.00	10.26
DECEMBER	1252.00	1723.00	37.62
TOTAL AVE.	2816.58	1731.50	(38.52)

**UNITS

PREPARED FEBRUARY 1981



NON-AGRICULTURAL PLACEMENT OF INDIVIDUALS*

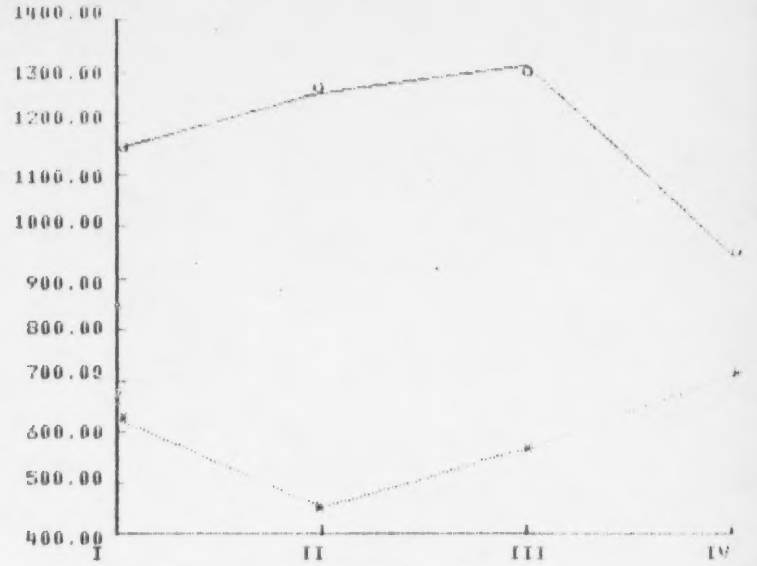
* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	6.20	4.20	(32.26)
FEBRUARY	6.00	5.40	(10.00)
MARCH	6.30	5.80	(7.94)
APRIL	7.20	4.90	(31.94)
MAY	7.10	4.20	(40.85)
JUNE	9.00	5.50	(38.89)
JULY	11.90	5.30	(55.46)
AUGUST	16.10	6.40	(60.25)
SEPTEMBER	10.90	7.80	(28.44)
OCTOBER	8.60	4.90	(43.02)
NOVEMBER	5.10	4.10	(19.61)
DECEMBER	3.90	3.60	(7.69)
TOTAL AVE.	8.19	5.18	(36.83)

** Individuals in thousands

PREPARED FEBRUARY 1981

NOTE: Due to a data processing malfunction, October, 1980 data excludes Indianapolis Employment Security Office Placements.



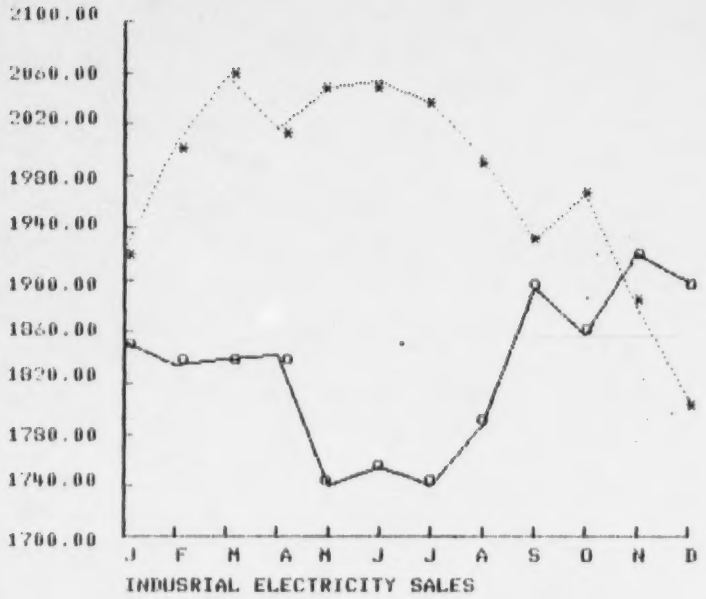
CONTINUED UNEMPLOYMENT CLAIMS

* : 1979
o : 1980

QUARTER	DATA VALUE **		
	1979	1980	+/-Δ
I	623.40	1148.65	84.25
II	453.70	1256.64	176.98
III	566.00	1308.49	131.18
IV	706.00	939.39	33.06
TOTAL AVE.	587.28	1163.29	98.08

**THOUSANDS

PREPARED FEBRUARY 1981



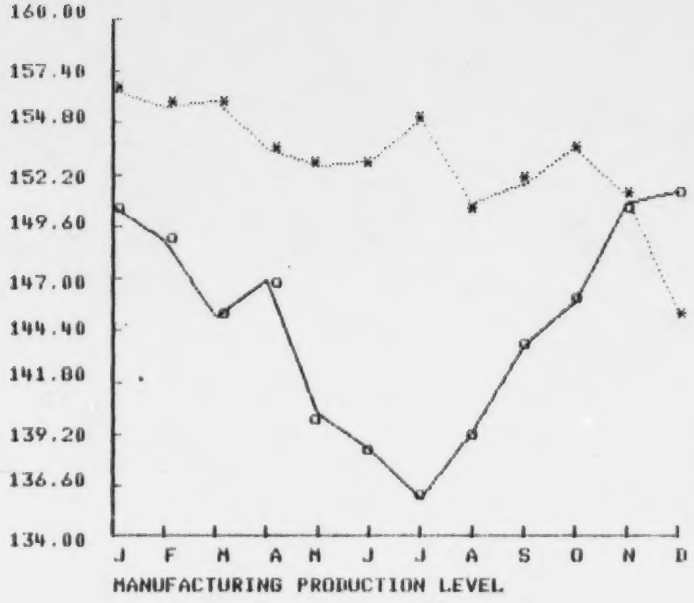
INDUSRIAL ELECTRICITY SALES

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	%/%Δ
JANUARY	1922.00	1850.40	(3.73)
FEBRUARY	2003.70	1833.40	(8.50)
MARCH	2055.70	1837.30	(10.62)
APRIL	2015.50	1839.90	(8.71)
MAY	2046.50	1740.20	(14.97)
JUNE	2052.10	1754.30	(14.51)
JULY	2034.40	1739.80	(14.48)
AUGUST	1993.00	1786.00	(10.39)
SEPTEMBER	1929.80	1892.60	(1.93)
OCTOBER	1963.60	1856.60	(5.45)
NOVEMBER	1878.50	1918.60	2.13
DECEMBER	1807.00	1897.20	4.99
TOTAL AVE.	1975.15	1828.86	(7.41)

**MILLION KWH

PREPARED FEBRUARY 1981



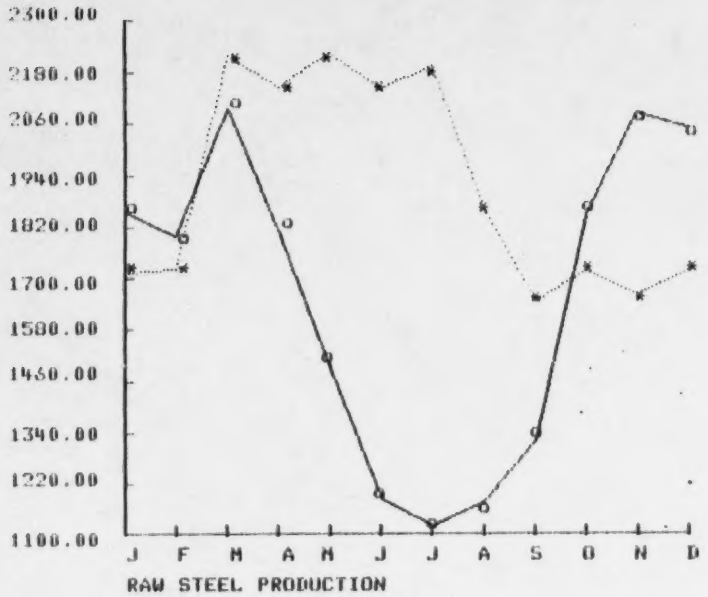
MANUFACTURING PRODUCTION LEVEL

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	%/%Δ
JANUARY	156.40	150.60	(3.71)
FEBRUARY	155.50	148.90	(4.24)
MARCH	155.80	145.00	(6.93)
APRIL	153.40	146.80	(4.30)
MAY	152.60	140.20	(8.13)
JUNE	152.80	138.40	(9.42)
JULY	154.90	135.90	(12.27)
AUGUST	150.70	139.20	(7.63)
SEPTEMBER	151.60	143.60	(5.28)
OCTOBER	153.40	145.80	(4.95)
NOVEMBER	151.10	150.70	(.26)
DECEMBER	145.20	151.30	4.20
TOTAL AVE.	152.78	144.70	(5.29)

**1967=100

PREPARED FEBRUARY 1981



RAW STEEL PRODUCTION

* :1979
o :1980

MONTH	DATA VALUE **		
	1979	1980	+/-Δ
JANUARY	1710.30	1853.20	8.36
FEBRUARY	1715.60	1795.00	4.63
MARCH	2216.00	2095.20	(5.45)
APRIL	2140.90	1810.50	(15.43)
MAY	2218.80	1496.50	(32.55)
JUNE	2136.20	1183.30	(44.61)
JULY	2189.30	1121.40	(48.78)
AUGUST	1860.50	1175.30	(36.83)
SEPTEMBER	1641.80	1318.00	(19.72)
OCTOBER	1711.60	1845.90	7.85
NOVEMBER	1657.70	2079.00	25.41
DECEMBER	1713.30	2046.60	19.45
TOTAL AVE.	1909.33	1651.66	(13.50)

**THOUSAND NET TONS

PREPARED FEBRUARY 1981

DATA SOURCES

The following information is from the U.S. Department of Commerce.

Personal Income - "Survey of Current Business," third quarter 1980 is latest available, seasonally adjusted at annual rates.

Retail Sales - "Monthly Retail Trade," U.S. Bureau of the Census, preliminary November 1980 is the latest available, other months are revised, not adjusted for seasonal variations, holiday or trading day differences.

The following is from Purdue University, Department of Agricultural Statistics.

Agricultural Employment - Quarterly data, latest is fourth quarter 1980.

Prices Received by Farmers - Mid-month figures, latest available is December 1980.

The following are from the Indiana University School of Business, Business Research Division.

Industrial Electricity Sales - Original series, latest month available is December 1980.

Raw Steel Production - Original series, latest month available is December 1980.

Residential and Non-residential Expenditures - Original series, latest month available is December 1980.

Housing Starts - Original series, latest month available is December 1980.

Expenditures for Public Works and Utilities Facilities - Original series, latest month available is December 1980.

Manufacturing Production - Seasonally adjusted series, latest month available is December 1980.

The following data is from the Indiana Employment Security Division.

Aggregate Employment, Unemployment Rate, Average Work Week in Manufacturing, Non-agricultural Placements, Manufacturing Employment and the Employment Figures for the Various Non-manufacturing Sectors - Latest month available is December 1980. All except Non-agricultural Placements are revised each month. For example, the January issue of the "Indiana Labor Market Letter" not only provides preliminary December figures, but also revises the November estimates.

Manufacturing Layoff Rate - Latest month available is December 1980 and these monthly figures are not revised.

Average people hours per work week (work input) is derived by multiplying Indiana Employment Security employment data by the average work week per person. It should be noted that the indicators which are expressed in dollar amounts are in current dollars. GNP implicit price deflators are not specific to Indiana and thus cannot be applied to this data.